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RECESS TO 11 A.M. MONDAY

Mr. HUMPHREY. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in recess until 11 o'clock a.m. on Monday next.

The motion was agreed to; and (at 2 o'clock and 50 minutes p.m.) the Senate took a recess, under the previous order, until Monday, June 15, 1964, at 11 o'clock a.m.

NOMINATION

Executive nomination received by the Senate June 13 (legislative day of March 30), 1964:

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations (for appointment):

To be senior surgeons

George E. Bock
Martin M. Cummings

To be assistant pharmacist

Nancy B. Finch

To be health services officer

Howard L. Kitchener

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 15, 1964

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. ALBERT).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair lays before the House a communication from the Speaker:

The Clerk read as follows:

JUNE 15, 1964.

I hereby designate the Honorable CARL ALBERT to act as Speaker pro tempore today.

JOHN W. MCCORMACK,
Speaker of the House of Representatives.

PRAYER

Rabbi Josiah Darby, Rego Park Jewish Center, New York, offered the following prayer:

Psalms: 119: 126: *This is the hour to act; Thy law, O Lord, has been broken.*

Eternal God, we thank Thee for another day of life and health and opportunity.

In this hour of crisis abroad and confusion at home we ask Thy blessings upon our beloved country, upon our President, and upon this legislative body.

Recognizing the limitations of our mortal wisdom, we turn to Thee for guidance as we grope for the elusive solutions to the weighty problems that confront us.

Shed Thy light upon us to illuminate our way. Teach us how to serve with a unity of purpose even as we maintain the diversity of our views.

Inspire us with courage and resolution that we may meet the challenge of our responsibilities.

Hold us fast to those truths, which are rooted in Thy fatherhood, and in the brotherhood of Thy children, so that all our deliberations and decisions may conform to Thy holy will. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, June 11, 1964, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Secretary of the Senate requests the House of Representatives to return to the Senate the joint resolution (S.J. Res. 71) entitled "Joint resolution to establish a National Commission on Food Marketing to study the food industry from the producer to the consumer," together with all accompanying papers.

ANNOUNCEMENT

Mr. CLARK. Mr. Speaker, on Thursday I was in Montana with other Members inspecting the flood damage. On rollcall 155, through error, I was paired for the bill. If present, I would have voted "no."

COMMUNIST PROPAGANDA JUNKETS

Mr. SELDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Speaker, news reports indicate that 75 members of a so-called U.S. student group have circumvented the Department of State's ban on travel to Communist Cuba and are presently propaganda guests of the Castro government.

This is the second such group to violate State Department policy barring use of passports to visit that Communist satellite in the Caribbean. It is reported also that this trip was arranged by the same organization and persons that arranged the similar propaganda visit to Cuba last year by so-called U.S. students.

The first propaganda report to issue from this year's delegation in Havana was a call by a Negro member of the group for the destruction of the United States. The nature of this message points up the fact that the Communist and fellow-traveler composition of the current group is similar to that of last year's delegation.

At the time the first so-called student group visited Havana last year I called for State Department action against the passport privilege violators upon their return to this country. As I then argued, if it were possible a just punishment would be the denial of reentry into the United States for all such turncoats and advocates of treason. Consider the fact that while Americans are laying down their lives fighting totalitarian communism in Vietnam, here we have a handful of moral renegades serving as willing dupes for the cause of communism in our own hemisphere.

Obviously, whatever action the Department of State did take against the Cuban travelers last year was ineffective and insufficient to prevent a second such trip. I am therefore asking the Department of State and the Department of Justice for a complete report on what it has done and what it intends to do to punish such violations of the passport privilege. These violators must be punished. If existing legislation to curb such Communist propaganda junkets is not on the books, I intend to introduce legislation with teeth that will inhibit the actions of these Communist propaganda agents.

EAT DELICIOUS, JUICY, TENDER, CORN-FED STEAK

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, last week, 61 boosters of corn-fed beef from the district which I have the honor to represent in Congress, arrived in Dearborn, Mich., with enough delicious, tender, juicy, corn-fed T-bone steaks to give the people at a banquet there a real treat. The 61 cattle feeders and businessmen from Iowa sat down with an equal number of important people from the Dearborn-Detroit area to enjoy "top of Iowa steak."

Among the guests at the banquet were representatives of the Alcoa Chemical Corp., Chrysler Motors, the Department of Agriculture, the Greater Detroit Chamber of Commerce, the Great Atlantic & Pacific Tea Co., the Michigan Farm Bureau, the University of Michigan, the Live Stock Exchange, and the Ford Motor Co., along with representatives from other industries and banks, and municipal officials from both Dearborn and Detroit.

The main purpose of this affair was of course to give the people at the banquet a taste of the most delicious and most nourishing of all beef, corn-fed beef, which in the past has not received the publicity it deserves.

You see, Mr. Speaker, it takes corn longer to mature than any other grain, hence nature and the sun instills more of the essential vitamins necessary for human health and strength into corn-fed meats than into other meats or vegetables. Of course the same is true of corn-fed pork and poultry.

Every housewife, and every restaurant, motel and hotel where food is served would do well to feature these wonderful foods. Facts are, every eating place owes it to themselves and to their customers to print on their menus these words: "Eat our delicious, tender, juicy, corn-fed beefsteak, pork, and poultry." Then watch their business grow.

CHILDREN TO CHILDREN PROGRAM FOR ALASKA

Mr. BECKER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, I was tremendously pleased to be advised by an elementary school in my district; namely, the Woodmere, Long Island, N.Y., elementary school that they wanted to do something to help the children and people of Alaska who had suffered so terribly by the recent earthquake.

The children, through their student council, devised the idea of a cake sale. But they placed certain restrictions on this. The children, themselves, had to bake their own cakes, bring them to school and then they were sold at 10 cents per slice. This was a real do-it-yourself project and went over big. They raised the sum of $295, by this sale.

I was invited by the student council to attend their assembly on Friday, June 12, at 9:45 a.m., and the check for $295, made out to the Governor's reconstruction fund, was presented to me.

This was one of the most pleasant experiences of my political career. These children could, perhaps, have gone to their parents and asked for some money to contribute. They did not do this. They wanted to do something themselves, and they did. I expressed my great satisfaction to them, to their faculty, and their student council adviser.

I took the opportunity of telling these students it was their spirit that made our country great, that it was their willingness to do a job themselves, their self-reliance, the spirit of a good deed well done, and a sense of responsibility to help others in need.

I am certain this contribution will be put to good use through the Governor's reconstruction fund and bring a little more to the children of Alaska than just love and affection.

COMMITTEE ON RULES

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

REPORT OF THE COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Banking and Currency:

To the Congress of the United States:

I am sending for the information of the Congress the report of the Commodity Credit Corporation for the fiscal year ended June 30, 1963, in accordance with the provisions of section 13, Public Law 806, 80th Congress.

LYNDON B. JOHNSON.

The WHITE HOUSE, *June 12, 1964.*

NATIONAL COMMISSION ON FOOD MARKETING

The SPEAKER pro tempore laid before the House a message from the Senate, as follows:

IN THE SENATE OF THE UNITED STATES,
June 15 (legislative day, March 30), 1964.

Ordered, That the Secretary of the Senate request the House of Representatives to return to the Senate the joint resolution (S.J. Res. 71) entitled "Joint resolution to establish a National Commission on Food Marketing to study the food industry from the producer to the consumer" together with all accompanying papers.

Mr. HALLECK. Mr. Speaker, reserving the right to object, and I shall not object, this matter was discussed with me and in turn I have discussed the matter with the ranking Republican member of the Committee on Agriculture. I want it to be in the RECORD that my understanding is correct, which is, that the purpose of the action here sought to be had is to bring to final enactment a bill dealing with this matter as it passed the House of Representatives.

Mr. HOEVEN. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Iowa.

Mr. HOEVEN. I want to concur in the statement of the minority leader. It is my understanding that the purpose of sending these papers back to the other body is that they may concur in the House amendments. At least that is my understanding and I, therefore, shall not object.

The SPEAKER pro tempore. Is there objection?

There was no objection.

CHANG IN WU

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1887) for the relief of Yan Ok Kim, Chang In Wu, and Jung Yol Sohn, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That, notwithstanding the provisions of section 205(c) of the Immigration and Nationality Act, a petition may be filed in behalf of Chang In Wu by Mr. and Mrs. Robert Ainley, citizens of the United States, pursuant to section 205(b) of the said Act."

Amend the title so as to read: "A bill for the relief of Chang In Wu."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

The title was amended to read as follows: "A bill for the relief of Chang In Wu."

A motion to reconsider was laid on the table.

WATER RESEARCH

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2) to establish water resources research centers at land-grant colleges and State universities, to stimulate water research at other colleges, universities, and centers of competence, and to promote a more adequate national program of water research, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentle-

man from Colorado? The Chair hears none, and appoints the following conferees: Messrs. ASPINALL, ROGERS of Texas, HALEY, SAYLOR and BURTON of Utah.

CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

ACQUISITION OF PROPERTY IN SQUARE 758 IN THE DISTRICT OF COLUMBIA

The Clerk called the bill (S. 254) to provide for the acquisition of certain property in square 758 in the District of Columbia, as an addition to the grounds of the U.S. Supreme Court Building.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ADDITIONAL COMMISSIONERS OF THE U.S. COURTS OF CLAIMS

The Clerk called the bill (S. 102) to provide for additional commissioners of the U.S. Court of Claims.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROTECTION OF NATIONAL FORESTS AND NATIONAL GRASSLANDS

The Clerk called the bill (H.R. 7588) to provide for enforcement of rules and regulations for the protection, development, and administration of the national forests and national grasslands, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 4, 1897, as amended (30 Stat. 11, 35; 16 U.S.C. 551), second full paragraph, page 35, and section 32(f), title III, of the Bankhead-Jones Farm Tenant Act, as amended (50 Stat. 526; 7 U.S.C. 1011(f)), are further amended by addition of the following sentence in each case: "Any person charged with the violation of such rules and regulations may be tried and sentenced by any United States commissioner specially designated for that purpose by the court by which he was appointed, in the same manner and subject to the same conditions as provided for in title 18, United States Code, section 3401, subsections (b), (c), (d), and (e), as amended."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDITH NOURSE ROGERS MEMORIAL VETERANS' HOSPITAL

The Clerk called the bill (H.R. 10926) to designate a Veterans' Administration hospital in Bedford, Mass., as the Edith Nourse Rogers Memorial Veterans' Hospital.

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

SAM RAYBURN MEMORIAL VETERANS CENTER

The Clerk called the bill (H.R. 10936) to designate the Veterans' Administration center at Bonham, Tex., as the Sam Rayburn Memorial Veterans Center.

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

JOHN ELLIOTT RANKIN MEMORIAL VETERANS HOSPITAL

The Clerk called the bill (H.R. 146) to designate the Veterans' Administration hospital at Jackson, Miss., as the John Elliott Rankin Memorial Veterans Hospital.

Mr. RYAN of New York. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

TRANSFER OF LAND TO McKINNEY, TEX.

The Clerk called the bill (H.R. 10610) to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Reserving the right to object, Mr. Speaker, I should like to ask the author of the bill or a member of the committee a question concerning the purpose for which this land would be used by the city of McKinney, Tex.

Do I understand correctly that in the deed of conveyance from the Federal Government to the city of McKinney there would be a reverter clause in case the land is not used for recreational purposes?

Mr. ROBERTS of Texas. That is correct.

Mr. FORD. This will be a part of the conveyance by the Federal Government to the city?

Mr. ROBERTS of Texas. That is correct. It was explained by the Veterans' Administration that he will add this provision to the conveyance.

Mr. FORD. As I understand it, it is the fact that the city of McKinney is going to use this land for recreational purposes that prompted the Veterans' Administration to transfer this land at 50 percent of the appraised value?

Mr. ROBERTS of Texas. That is correct. This is a part of the Veterans' Administration hospital and it adjoins a golf course which was built by Ben Hogan and Byron Nelson and was given to the veterans. This adjoins it and will be a municipal golf course.

Mr. FORD. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs shall be authorized to convey to the city of McKinney, Texas, at 50 per centum of its appraised value, and for recreational purposes, all right, title, and interest of the United States in and to a portion of the real property of the Veterans' Administration Hospital, McKinney, Texas, approximating thirty-nine acres, more or less. The exact legal description of such real property shall be determined by the Administrator of Veterans' Affairs and in the event a survey is required in order to make such determination the city of McKinney shall bear the expense thereof.

With the following committee amendments:

On line 9, page 1, after the word "description" insert "and the appraised value".

On line 1, page 2, after the word "survey", insert the words "or an appraisal".

On line 2, page 2, strike the word "determination" and insert the word "determinations".

At the end of the bill, add section 2 as follows:

"SEC. 2. Any deed of conveyance made pursuant to this Act shall contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF SEWAGE TREATMENT PLANT TO McKINNEY, TEX.

The Clerk called the bill (H.R. 10611) to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to make legislative history with reference to this bill. Do I understand that in the deed of conveyance for this sewage disposal plant to the municipality of McKinney, Tex., it will be provided that the Veterans' Administration hospital, after the 10 years in which sewage is to be disposed of free of charge to the Veterans' Administration, that then the Veterans' Administration will pay the minimum rate charged to all other users of the sewage

disposal plant as operated by the city of McKinney, Tex.

Mr. ROBERTS of Texas. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. ROBERTS of Texas. The gentleman is correct and I thank him very much for bringing out the fact that that provision will be included in the deed of conveyance.

Mr. GROSS. I thank the gentleman.

Mr. ROBERTS of Texas. I thank the gentleman.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs is authorized to convey to the city of McKinney, Texas, the sewage treatment plant of the Veterans' Administration hospital of McKinney, Texas, if the city of McKinney, Texas, in consideration therefor, agrees to treat all sewage from such hospital without charge for a period of ten years from the date of such conveyance.

With the following committee amendments:

On page 1, line 5, after the word "plant" insert "(with the easements relating thereto)".

At the end of the bill insert section 2 as follows:

"SEC. 2. Any deed of conveyance made pursuant to this Act shall contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELATING TO THE ESTABLISHMENT OF CONCESSION POLICIES IN THE AREAS ADMINISTERED BY NATIONAL PARK SERVICE

The Clerk called the bill (H.R. 5886) relating to the establishment of concession policies in the areas administered by National Park Service and for other purposes.

Mr. McFALL. Mr. Speaker, at the request of another Member, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

QUARTERS AND FACILITIES FOR GOVERNMENT PERSONNEL

The Clerk called the bill (S. 1883) to authorize Government agencies to provide quarters, household furniture and equipment, utilities, subsistence, and laundry service to civilian officers and employees of the United States, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the head of the each department, independent establishment, and Government corporation may, under such regulation as the President may prescribe and where conditions of employment or availability of quarters warrant it, provide, either directly or by contract, civilian officers and employees stationed in the United States, its territories and possessions, and the Commonwealth of Puerto Rico, with quarters (Government owned or leased), household furniture and equipment, utilities, subsistence, and laundry service.

SEC. 2. Rental rates for any Government owned or leased quarters provided under authority of section 1 of this Act, or occupied on a rental basis under authority of any other provision of law, and charges for any furniture and equipment, utilities, subsistence, and laundry service made available in connection with the occupancy of such quarters, shall be based on the reasonable value thereof to the officer, employee, or member of the uniformed services concerned, in the circumstances under which furnished. Such rates and charges shall be determined in accordance with such regulations as the President may prescribe, and the amounts thereof shall be paid by or deducted from the salary of such officer, employee, or member of the uniformed services, or otherwise charged against them: *Provided,* That the amounts of any payroll deductions for such charges shall remain in the applicable appropriation or fund, but whenever payments are made by any other method the amounts shall be credited to miscellaneous receipts of the Treasury or to such appropriation or fund as may be otherwise provided by law.

SEC. 3. Whenever, as an incidental service in support of a Government program, any Government owned or leased quarters, and any related furniture and equipment, utilities, subsistence, and laundry service are provided, under specific Government direction, to any person who is not an officer or employee of the Government or a member of the uniformed services, the rates and charges therefor, which shall be paid or otherwise credited to the Government, shall be determined in accordance with section 2 of this Act: *Provided,* That the amounts of any such charges shall be credited to miscellaneous receipts of the Treasury or to such appropriation or fund as may be otherwise provided by law.

SEC. 4. No civilian officer, employee, or member of the uniformed services shall be required to occupy Government owned or leased rental quarters unless the head of the agency concerned shall determine that necessary service cannot be rendered or property of the United States cannot be adequately protected otherwise.

SEC. 5. Section 2 of this Act shall not be construed as repealing or modifying any provision of law which may authorize the provision, without charge or at specified rates, of any of the items enumerated in section 1 of this Act, to any specific civilian officer or employee, or to any class of such officer or employees, or to such officers or employees under emergency conditions or to members of the uniformed services.

SEC. 6. Section 3 of the Act of March 5, 1928 (45 Stat. 193 (5 U.S.C. 75a)), is repealed.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That, for the purposes of this Act—

"(1) 'Government' means the Government of the United States of America.

"(2) 'agency' means—

"(A) each executive department of the Government;

"(B) each agency independent establishment in the executive branch of the Government;

"(C) each corporation owned or controlled by the Government, except the Tennessee Valley Authority; and

"(D) The General Accounting Office.

"(3) 'employee' means a civilian officer or employee of an agency.

"(4) 'United States' means the several States of the United States of America, the District of Columbia, the territories and possessions of the United States, and the Commonwealth of Puerto Rico.

"(5) 'quarters' means quarters owned or leased by the Government.

"(6) 'facilities' means household furniture and equipment, garage space, utilities, subsistence, and laundry service.

"(7) 'member' and 'uniformed services' have the meanings given them by section 101 of title 37, United States Code.

"SEC. 2. Whenever conditions of employment or of availability of quarters warrant such action, the head of each agency may provide, directly or by contract, any employee stationed in the United States, with quarters and facilities.

"SEC. 3. Rental rates for quarters provided for an employee under section 2 of this Act or occupied on a rental basis by an employee or a member of the uniformed services under any other provision of law, and charges for facilities made available in connection with the occupancy of such quarters, shall be based on the reasonable value of the quarters and facilities to the employee or the member of the uniformed services concerned, in the circumstances under which the quarters and facilities are provided, occupied, or made available. The amounts of such rates and charges shall be paid by, or deducted from the salary of, such employee or member of the uniformed services, or otherwise charged against him in accordance with law. The amounts of payroll deductions for such rates and charges shall remain in the applicable appropriation or fund, but, whenever payment of such rates and charges is made by any other method, the amounts of payment shall be credited to the Government as provided by law.

"SEC. 4. Whenever, as an incidental service in support of a program of the Government, any quarters and facilities are provided, by appropriate authority of the Government, to any person other than an employee or a member of the uniformed services, the rates and charges therefore shall be determined in accordance with this Act. The amounts of the payments of such rates and charges shall be credited to the Government as provided by law.

"SEC. 5. An employee or a member of the uniformed services shall not be required to occupy quarters on a rental basis unless the head of the agency concerned shall determine that necessary service cannot be rendered, or that property of the Government cannot adequately be protected, otherwise.

"SEC. 6. The President may issue regulations governing the provision, oocupancy, and availability of quarters and facilities, the determination of rates and charges therefor, and other related matters, as are necessary and appropriate to carry out the provisions of this Act. The head of each agency may prescribe and issue such regulations, not inconsistent with the regulations of the President, as may be neces-

sary and appropriate to carry out the functions of such agency head under this Act.

"SEC. 7. Section 3 of this Act shall not be held or considered to repeal or modify any provision of law authorizing the provision of quarters or facilities, either without charge or at rates or charges specifically fixed by law.

"SEC. 8. Section 3 of the Act of March 5, 1928 (45 Stat. 193; 5 U.S.C. 75a), is hereby repealed.

"SEC. 9. The foregoing provisions of this Act shall become effective on the sixtieth day following the date of enactment of this Act."

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to authorize Government agencies to provide quarters and facilities to civilian officers and employees of the Government, and for other purposes."

A motion to reconsider was laid on the table.

APPLICATION OF FEDERAL HEALTH AND LIFE INSURANCE LAWS TO CERTAIN U.S. COMMISSIONERS

The Clerk called the bill (H.R. 5708) to amend the Federal Employees Health Benefits Act of 1959 to extend coverage to certain U.S. commissioners.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(a) of the Federal Employees Health Benefits Act of 1959, is amended by inserting after the word "includes" the following: "any United States commissioner to whom the Civil Service Retirement Act applies by operation of section 2(g) of that Act,".

With the following committee amendments:

Page 1, line 4, immediately after "1959" insert ", as amended (5 U.S.C. 3001(a),".

Page 1, line 4, strike out the word "after" and insert in lieu thereof the words "immediately following".

Page 1, immediately following line 7, insert the following:

"SEC. 2. Section 2(a) of the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2901(a)), is amended by inserting immediately following 'District of Columbia' the following: ', and each United States Commissioner to whom the Civil Service Retirement Act applies by operation of section 2(g) of that Act,'."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to bring certain United States commissioners within the purview of the Federal Employees Health Benefits Act of 1959 and the Federal Employees' Group Life Insurance Act of 1954.".

A motion to reconsider was laid on the table.

APPLICATION OF EVACUATION AND ALLOTMENT PAY LAW TO GOVERNMENT PRINTING OFFICE

The Clerk called the bill (H.R. 8827) to extend the act of September 26, 1961, relating to allotment and assignment to pay, to cover the Government Printing Office, and for other purposes.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

AUTHORIZING THE SECRETARY OF THE INTERIOR TO PREPARE A ROLL OF PERSONS ELIGIBLE TO RECEIVE FUNDS FROM AN INDIAN CLAIMS COMMISSION JUDGMENT IN FAVOR OF THE SNAKE OR PAIUTE INDIANS OF THE FORMER MALHEUR RESERVATION IN OREGON, TO PRORATE AND DISTRIBUTE SUCH FUNDS, AND FOR OTHER PURPOSES

The Clerk called the bill (H.R. 8080) to authorize the Secretary of the Interior to prepare a roll of persons eligible to receive funds from an Indian Claims Commission judgment in favor of the Snake or Paiute Indians of the former Malheur Reservation in Oregon, to prorate and distribute such funds, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SAYLOR. Mr. Speaker, reserving the right to object, I would like to direct a question to the gentleman from Florida, chairman of the Subcommittee on Indian Affairs of the Committee on Interior and Insular Affairs.

I shall be happy to yield to the gentleman from Florida if he will tell me whether it is the intention to establish a program for the rehabilitation of these Indians, in view of the fact that they are so widely dispersed and have no reservation lands of their own at the present time.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I am happy to yield.

Mr. HALEY. The gentleman understands, I know, that there is no proposal to establish a rehabilitation program or anything else for this band of Indians. They are widely dispersed all over the country. This proposal merely would allow for the distribution of the remaining funds, from any judgment against the United States.

Mr. SAYLOR. The funds are in the Treasury of the United States drawing interest, and if the roll is prepared they will be distributed and dispensed with; is that correct?

Mr. HALEY. That is correct.

Mr. SAYLOR. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The committee amendment is as follows:

Strike out all of section 1 and insert the following: "That the Secretary of the Interior shall prepare a roll of the persons of Snake or Paiute Indian ancestry who meet the following requirements for eligibility: (1) They were born on or prior to and living on the date of this Act; and (2) they were members of or are lineal descendants of members of the bands whose chiefs and headmen We-you-we-wa (Wewa), Gaha-nee, E-hi-gant (Egan), Po-nee, Chaw-wat-na-nee, Owits (Oits), and Tash-e-go, signed the unratified treaty of December 10, 1868; and (3) they do not elect to participate as beneficiaries of any awards granted in the docket No. 87 claim of the Northern Paiute Nation. Applications for enrollment must be filed with the Area Director of the Bureau of Indian Affairs, Portland, Oregon, within nine (9) months after the date of this Act on forms prescribed for that purpose. The determination of the Secretary regarding utilization of available rolls or records and the eligibility for enrollment of an applicant shall be final."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHING THE ROOSEVELT CAMPOBELLO INTERNATIONAL PARK

The Clerk called the bill (H.R. 9740) to establish the Roosevelt Campobello International Park, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Roosevelt Campobello International Park Act".

SEC. 2. For the purposes of this Act:

(a) The term "Commission" means the Roosevelt Campobello International Park Commission.

(b) The term "United States members" means members of the Commission appointed by the President. The term "Canadian members" means members of the Commission appointed by the appropriate authorities in Canada.

SEC. 3. There shall be established, in accordance with the agreement between the Governments of the United States and Canada signed January 22, 1964, a joint United States-Canadian Commission, to be called the "Roosevelt Campobello International Park Commission," which shall have as it functions—

(a) to accept title from the Hammer family to the former Roosevelt estate comprising the Roosevelt home and other grounds on Campobello Island;

(b) to take the necessary measures to restore the Roosevelt home as closely as possible to its condition when it was occupied by President Roosevelt;

(c) to administer as a memorial the Roosevelt Campobello International Park comprising the Roosevelt estate and such other lands as may be acquired.

SEC. 4. The Commission shall have juridical personality and all powers and capacity necessary or appropriate for the purpose of performing its functions pursuant to the agreement between the Governments of the United States and Canada signed January 22, 1964, which shall include but not be limited to the power and capacity to—

(a) acquire property, both real and personal, or interests therein, by gift, including conditional gifts whether conditioned on the expenditure of funds to be met therefrom or not, by purchase, by lease or otherwise, and to hold or dispose of the same under

such terms and conditions as it sees fit, excepting the power to dispose of the Roosevelt home and the tract of land on which it is located;

(b) enter into contracts;

(c) sue or be sued, complain and defend, implead and be impleaded, in any United States district court. In such suits, the Attorney General shall supervise and control the litigation;

(d) to appoint its own employees, including an executive secretary who shall act as secretary at meetings of the Commission, and to fix the terms and conditions of their employment and remuneration;

(e) to delegate to the executive secretary or other officials and to authorize the redelegation of such authority respecting the employment and direction of its employees and the other responsibilities of the Commission as it deems desirable and appropriate;

(f) to adopt such rules of procedure as it deems desirable to enable it to perform the functions set forth in this agreement;

(g) to charge admission fees for entrance to the park should the Commission consider such fees desirable; however, such fees shall be set at a level which will make the facilities readily available to visitors; any revenues derived from admission fees or concession operations of the Commission shall be transmitted in equal shares to the two Governments within sixty days of the end of the Commission's fiscal year, the United States share to be turned over to the appropriate Federal agency for deposit into the United States Treasury as miscellaneous receipts;

(h) to grant concessions, if deemed desirable;

(i) adopt and use a seal;

(j) obtain without reimbursement, for use either in the United States or in Canada, legal, engineering, architectural, accounting, financial, maintenance, and other services, whether by assignment, detail, or otherwise, from competent agencies in the United States or in Canada, by arrangements with such agencies.

SEC. 5. (a) The Commission shall consist of six members, of whom three shall be the United States members and three shall be the Canadian members. The United States members shall be three persons appointed by the President, of whom one shall be selected from nominations made by the Governor of the State of Maine. Alternates to United States members shall be appointed in the same manner as the members themselves. The United States members and their alternates shall hold office at the pleasure of the President. A vacancy among the United States members of the Commission or their alternates shall be filled in the same manner in which the original appointment was made. An alternate shall, in the absence of the member of the Commission for whom he is alternate, attending meetings of the Commission and act and vote in the place and instead of that member of the Commission.

(b) The Commission shall elect a Chairman and a Vice Chairman from among its members, each of whom shall hold office for a terms of two years. The post of Chairman shall be filled for alternate terms by a Canadian and by a United States member. The post of Vice Chairman shall be filled by a Canadian member if the post of Chairman is held by a United States member, and by a United States member if the post of Chairman is held by a Canadian member. In the event of a vacancy in the office of Chairman or Vice Chairman within the two-year term, the vacancy shall be filled for the remainder of the term by special election in accordance with the foregoing requirements. The Vice Chairman shall act as Chairman in the absence of the Chairman.

(c) Four members of the Commission shall constitute a quorum for the transaction of business, but the affirmative votes of at least two United States members, or their alternates, and at least two Canadian members, or their alternates, shall be required for any decision to be taken by the Commission.

SEC. 6. No compensation will be attached to the position of United States members of the Commission. United States members or their alternates shall be reimbursed by the Commission for travel expenses in accordance with section 5 of the Administrative Expenses Act of 1946, as amended, and the Standardized Government Travel Regulations.

SEC. 7. The Commission may employ both United States and Canadian citizens.

SEC. 8. The Commission shall hold at least one meeting every calendar year and shall submit an annual report to the United States and Canadian Governments on or before March 31 of each year, including a general statement of the operation for the previous year and the results of an independent audit of the financial operations of the Commission. The Commission shall permit inspection of its records by the accounting agencies of both the United States and Canadian Governments.

SEC. 9. The Commission shall maintain insurance in reasonable amounts, including, but not limited to, liability and property insurance. Such insurance may not cover the Commissioners or employees of the Commission except when sued by name for acts done in the scope of their employment.

SEC. 10. In an action against the Commission instituted in a district court of the United States, service of the summons and of the complaint upon the Commission shall be made by delivering a copy thereof to the United States attorney for the district in which the action is brought, or to an assistant United States attorney, or to a clerical employee designated by the United States attorney to accept service in a writing filed with the clerk of the court, and by sending a copy of the summons and of the complaint to the Commission by registered mail.

SEC. 11. (a) The United States Government shall not be liable for any act or omission of the Commission or of any person employed by, or assigned or detailed to, the Commission.

(b) Any liability of the Commission shall be met from funds of the Commission to the extent that it is not covered by insurance, or otherwise. Property belonging to the Commission shall be exempt from attachment, execution, or other process for satisfaction of claims, debts, or judgments.

(c) No liability of the Commission shall be imputed to any member of the Commission solely on the basis that he occupies the position of member of the Commission.

SEC. 12. The Commission shall not be subject to Federal, State, or municipal taxation in the United States on any real or personal projerty held by it or on any gift, bequest, or devise to it of any personal or real property, or on its income, whether from governmental appropriations, admission fees, concessions, or donations.

SEC. 13. For the purpose of Federal income, estate, and gift taxes, any gift, devise, or bequest accepted by the Commission under authority of this Act shall be deemed to be a gift, devise, or bequest to or for the use of the United States if it is not deducted as a gift, devise, or bequest to or for the use of the Government of Canada under the income, estate, or gift taxes of the Government of Canada.

SEC. 14. There are hereby authorized to be appropriated to the Department of the Interior without fiscal year limitation such sums as may be necessary for the purposes of this Act and the agreement with the Government of Canada signed January 22, 1964, article 11 of which provides that the Governments of the United States and Canada shall share equally the costs of developing and the annual cost of operating and maintaining the Roosevelt Campobello International Park.

With the following committee amendments:

Page 2, line 12, after "President" insert "Franklin Delano".

Page 2, line 21, strike out "capacity to—" and insert "capacity—".

Page 2, line 22, after the subsection designation "(a)" insert "to".

Page 3, line 5, after the subsection designation "(b)" insert "to".

Page 3, line 6, after the subsection designation "(c)" insert "to".

Page 3, line 13, strike out "remuneration;" and insert "compensation;".

Page 4, lines 6 and 7, strike out "as miscellaneous receipts;" and insert:

"In accordance with the laws governing entrance fees received by the National Park Service;".

Page 4, line 9, after the subsection designation "(i)" insert "to".

Page 4, line 10, after the subsection designation "(j)" insert "to".

Page 4, line 20, after "nominations" insert "which may be".

Page 5, line 5, strike out "attending" and insert "attend".

Page 6, line 2, strike out "taken" and insert "made".

Page 6, line 10, strike out "Regulaitons." and insert "Regulations."

Page 7, line 12, after "registered" insert "or certified".

Page 8, line 7, strike out all of section 13 and insert the following:

"SEC. 13. For the purpose of Federal income, estate, and gift taxes, any gift, devise, or bequest to or for the use of the Commission, and accepted by the Commission under authority of this Act, shall be deemed to be a gift, devise, or bequest to or for the use of the United States, as the case may be, if it is not deducted as a gift, devise, or bequest to or for the use of the Government of Canada under the income, estate, or gift tax laws of the Government of Canada."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I should like to express my sincere thanks and appreciation to the members of the Committee on Interior and Insular Affairs for their favorable consideration of H.R. 9740. I was particularly gratified to learn the committee had taken the trouble to go to Campobello to make an on-site survey.

H.R. 9740 is not only a fine tribute, it is a further and significant step in the bonding of the close friendship we enjoy with our neighbors to the north.

The committee has reported the bill with a few perfecting and technical amendments, and I am pleased to concur in these recommendations.

For the benefit of my colleagues who may not be familiar with the story behind the bill, I should like to include a portion of my recent testimony to the

Subcommittee on National Parks during its consideration of this measure last month:

Campobello was my father's second home. It was purchased by my grandfather in 1883, the year after father was born, and the house was completed by 1886. Almost every year thereafter, father went to Campobello in the summer, first with his parents, then with his widowed mother, and finally with his own family. After father and mother were married, and there became too many of us to camp out comfortably in grandmother's house, father and mother acquired their own place on Campobello. After mother passed away, the property was purchased by the Hammer brothers, who are well known in the business world and also for their New York art gallery.

My memories of this rugged, rocky island are wonderful ones. It was here father taught me to swim and how to sail a boat. With no telephone and no electricity, the beauty of nature, especially in summer, was in no way spoiled, and Campobello was a wonderful haven from the cares of the world.

Even when I was a boy, the formalities of the border between Canada and the United States were at a minimum. The friendship and understanding of the citizens of these countries has long served as an example for all the world to follow. Now, thanks to the agreement signed on January 22 of this year between the Government of the United States and the Government of Canada, there is an opportunity to establish a further symbol of the fine relationship which has so long existed between our people.

The Roosevelt Campobello International Park will, I am confident, bring considerable enjoyment to many visitors from both countries. The Hammer family has generously offered the Roosevelt summer home as a gift, with the intention that it be opened to the general public as a memorial. H.R. 9740 proposes to establish a Roosevelt Campobello International Park Commission to accept title to the property, to restore the house as closely as possible to its condition when it was occupied by President Roosevelt, and to administer the park as a memorial.

May I also express my appreciation and thanks to my colleagues, the Honorable CLIFFORD G. MCINTIRE and the Honorable STANLEY R. TUPPER, for their fine support by introduction of identical bills.

Mr. McINTIRE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McINTIRE. Mr. Speaker, I wish to say that I, too, have introduced legislation to establish the Roosevelt Campobello International Park; my legislation—H.R. 9741—being companion to that introduced by Representative ROOSEVELT, of California, and Congressman TUPPER, of Maine.

My State of Maine is deeply interested in this matter, because an international bridge connects Lubec, Maine, with Campobello Island in the Province of New Brunswick. Maine citizens, too, know how fond President Roosevelt was of this area proposed for the park and his profound appreciation of the beauty of the Passamaquoddy Bay.

This international park is unique, for it represents the first time that the United States and Canada have joined hands to share an international park of this nature. And it should be noted that even though the physical aspects of this park would be located in Canada, the United States would share in the privileges and responsibilities of this park project.

I would like to take this opportunity to commend the Hammer family for the generosity and good will it has demonstrated in the advancement of this park, doing this by surrendering up its title to the former Roosevelt estate comprising the Roosevelt home and other ground on Campobello Island.

Mr. Speaker, it would be highly appropriate for favorable consideration to be extended the pertinent legislation, for such a park would serve as a symbol of the very fine international relations that have prevailed through a long span of years between the United States and Canada. The park would also pay tribute to a great President and would, in the process, serve as a point of historical reference and scenic beauty for tourists from the two countries concerned.

The U.S. Department of State has extended its formal approval to the establishment of this park, stating in its report on the legislation as follows:

The Department of State urges the speedy enactment of these bills so that the park may be established and opened to the general public as soon during the 1964 tourist season as possible.

Mr. Speaker, a substance of the tourist season remains in this year for tourists to use the facilities of the Roosevelt Campobello International Park. The House of Representatives can bring a realization of this use one step closer to reality by approving the legislation now before it. I urge the adoption of this legislation designed to establish the Roosevelt Campobello International Park.

Mr. Speaker, Congressman STANLEY R. TUPPER, of Maine, has introduced H.R. 9742 on the same subject, and he would like to be associated with this statement.

The SPEAKER pro tempore. This concludes the call of the Consent Calendar.

SEVENTY-THREE STUDENTS VIOLATE LAWS IN TRAVEL TO COMMUNIST CUBA: NEW LAWS NEEDED TO PREVENT THIS

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, I am here offering a bill which has, as its ultimate goal, the purpose of implementing through effective legislation, the express policy of the State Department's ban on travel to Cuba and other countries with which we don't have diplomatic relations or travel to which is against our national interests.

Through a press release dated June 29, 1961, the State Department publicly announced that all U.S. citizens desiring to travel to Cuba must obtain passports specifically endorsed for such travel by the State Department.

This policy has been repeatedly frustrated and the latest group of U.S. citizens to thumb their noses at our laws are now in Cuba, having made their journey through Prague.

This group of so-called students is lead by Ed Lemansky, a self-admitted Communist. The group plans to stay in Cuba 1 month and then return to this country. They will be subjected to the customary Communist brainwashing and indoctrination and will return to the United States to preach pro-Castro doctrine.

Seventy-three in all, this group, like the group that traveled to Cuba last summer, has dramatized the need for the bill I am introducing today. To date, the Justice Department has been unable to get one single conviction of U.S. citizens violating this travel ban after they return to this country.

This latest venture by American citizens is inexcusable and shows clearly the inability of the State Department to do anything about these people who openly and nortoriously violate our laws.

The bill I am introducing today, a substitute for a bill I introduced over 1 year ago to correct this same problem, serves to separate the passport question from the problem of controlling U.S. nationals as our national interest may require.

In effect, it closes the loophole now existing in our laws and will make prosecution of the ringleaders in this movement possible.

Specifically, it amends the Immigration and Nationality Act to authorize, in the national interest, restrictions on travel by nationals of the United States in certain designated areas of the world, these areas to be so designated by the Secretary of State.

WHO IS TO BLAME?

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, the problem outlined by our colleague from Florida is a very important one, a very disturbing one. The Subcommittee on Immigration and Nationality has had a considerable experience with it. Last year we held a hearing on the illegal travel of so-called students from the United States to Communist-occupied Cuba, via Prague, Czechoslovakia. That hearing was very revealing and established the fact that those so-called students were engaged in a deliberate attempt to violate Federal law; in fact, the hearing established the additional fact that this planned, deliberate violation of law was aimed at forcing a test of the law in our courts, as a propaganda maneuver and in the long-shot hope the validity of the controlling law could be overturned.

The bill introduced by our colleague will be given very careful study by our

subcommittee. His purposes are worthy. He seeks to close what may appear to be a gap in law, to make certain that those who break the law will be punished, and to protect our country against those who seek to destroy law as the orderer of society.

I am not yet convinced that the Government does not already have all the authority needed to act in such cases set forth by our colleague. The travel control laws now in effect provide the Secretary of State with authority to proscribe countries that are "off limits" for holders of valid U.S. passports and provides a penalty of $5,000 fine, 5 years imprisonment, or both. The pertinent question is, whether the Department of Justice is applying the necessary vigor and determination to give full effect to the law, or whether the law denies the Department of Justice a clear course of legal action.

There is no doubt of the need to clear up the pertinent question I have raised. Our colleague's proposal serves a constructive purpose because it calls for an answer to that question.

PRESIDENT'S COMMITTEE FOR EMPLOYMENT OF THE HANDICAPPED

Mrs. GREEN of Oregon. Mr. Speaker, I move to suspend the rules and pass the resolution (S.J. Res. 103) to increase the amount authorized to be appropriated for the work of the President's Committee on Employment of the Physically Handicapped.

The Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution entitled "Joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week", approved July 11, 1949 (63 Stat. 409), as amended, is amended by striking out "$300,000" and inserting in lieu thereof "$400,000".

The SPEAKER pro tempore. Is a second demanded?

Mr. GROSS. Mr. Speaker, in order to assure an explanation, I demand a second.

The SPEAKER pro tempore. Without objection a second will be considered as ordered.

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, this bill was passed by the Senate in November of last year. It provides that the funds for the President's Committee on Employment of the Physically Handicapped be increased from $300,000 to $400,000. There was no objection in the subcommittee which considered this bill on the House side. There was no objection from any member of the full committee when it was favorably reported by the Education and Labor Committee of the House. Briefly, the reason for the need for the increased funds is the increased effort to employ not only the physically handicapped but those who are handicapped by reason of mental retardation or mental illness. The record which has been made during the last year speaks very eloquently for the work of the President's Committee. In 1960, when the $300,000 appropriation was first authorized, 88,300 handicapped persons were rehabilitated through the Vocational Rehabilitation Administration. This year the number is expected to increase to 126,000. Over the last 12 months 102,000 disabled veterans were placed in employment. The Civil Service Commission also reported that 9,000 handicapped people found jobs in the Federal Government last year, well above the previous year's record. The placement of the handicapped by the Nation's local public employment offices totaled 278,000, which was very close to the previous year's 280,000 and still far ahead of the 256,000 placement of the year before. One of the reasons for this very heartening increase in the employment of the handicapped lies in the many activities of the President's Committee in cooperation with public and private agencies and organizations. I may also say to the House that in each of the 50 States there is a Governor's committee on the employment of the handicapped and in over 1,000 cities across this land there are also citizens committees to encourage the employment of the handicapped.

Mr. Maas, the ex-Chairman of the President's Committee on the Employment of the Handicapped, in a letter to the Director of the Bureau of the Budget, said this:

ABSTRACT OF LETTER FROM MELVIN J. MAAS, EX-CHAIRMAN OF THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED, TO THE DIRECTOR OF THE BUREAU OF THE BUDGET

We feel that a change in our ceiling is imperative during this session of Congress so we may request additional funds in fiscal year 1965, principally for promotional and informational work in behalf of job opportunities for the mentally restored and retarded. The present ceiling of $300,000 has already been exceeded due to the Federal Salary Reform Act. If the executive salary increase is voted, there will be additional salary costs.

Every single person handicapped either physically or mentally who can be employed becomes a productive member of society and the costs to the Government are measurably decreased. The benefits from this program far exceed the costs. Therefore, I urge the House to support the recommendation of the subcommittee and the full committee in increasing this appropriation.

Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. POWELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mr. POWELL. Mr. Speaker, I rise in support of the Senate Joint Resolution 103 which would increase the authorization for appropriations for the President's Committee on Employment of the Physically Handicapped from $300,000 per year to $400,000 per year. This additional $100,000 would make it possible to expand the work of the Committee in behalf of job opportunities for the mentally restored, the mentally retarded, and the increasing numbers of physically handicapped being rehabilitated for employment. No one of us present would raise a question regarding the outstanding accomplishments of the President's Committee during the period of years that it has been in existence. It is more than gratifying to note that more than 600 public-spirited citizen organizations and individuals representing business, civic, industrial, labor, medical, professional, religious, women's, veterans, and other groups have given so generously of their time and efforts in helping to utilize to the fullest extent all of our human resources. It is likewise important to realize that the Cabinet members and Federal agency officials who have cooperated in this program have reported unusual satisfaction in the efforts they have made to increase the employability of the handicapped.

America is as strong as its weakest link. We cannot say in one breath that we believe that "all men are created equal, that they are endowed by their Creator with certain inalienable rights" and at the same time mistreat large segments of our population. The Committee, which was established in 1947 by the President, was given more permanent structure through congressional action in 1949. The Executive orders of 1955 and 1962 delineated with greater specificity the responsibilities of the Committee and provided a staff responsible for implementing the general purposes of the public law. Since its establishment, the Committee has been instrumental in providing for a continuing program of public information in education for the employment of handicapped citizens. It has cooperated with all groups interested in the employment of the handicapped including governmental agencies, private groups, and individuals. It has worked with the Governors of each of the 50 States and the mayors of more than 1,000 cities in coordinating the activities throughout our Nation in this important area of employment. It is amazing, indeed, how much has been accomplished by the Committee on such a limited budget as has been provided for their activities. Outstanding among its accomplishments has been:

First. The presentation of awards to employers for exceptional records in hiring handicapped persons.

Second. Development of special studies of the disabled veterans and the special employment problems related to them.

Third. Sponsoring of essay contests as a means of increasing the public knowledge and understanding of problems connected with the hiring of handicapped persons.

Fourth. Preparation and development of public relations materials and programs. Many of the States and local governments feel that they could not have developed as creative programs nor stimulated wide-scale employment had they not had the guidance of the President's Committee. Handicapped persons continually sing the praises of the Committee as they have been in increasing

numbers accepted into the labor market and given greater opportunities to express their abilities and skills. With knowledge of the fact that 1 person in 10 in the United States had an impairment which limits his normal activities, greater stress must be given to special employment problems faced by this large number of American citizens. The Bureau of Labor Statistics estimates that in the past 5 years an average of approximately 80,600 persons received permanently disabling working injuries every year. Thus, there are approximately 7 million physically handicapped workers in the United States to whom attention must be given. Added to this number are approximately 18 million persons who have mental or emotional disorders which require psychiatric treatment. Another 5 million are mentally retarded but are potentially trainable.

Such figures demonstrate, undoubtedly, the tremendous need for increased expenditures by the President's Committee in its efforts to help in the employment and acceptance of these Americans. With the acceleration of the job placement program of the employment security offices during the past 2 fiscal years, the President's Committee has stepped up its promotional activities to assure a concomitant increase in the number of handicapped applicants successfully placed. These activities have contributed to a marked forward surge in the total of handicapped accessions to the labor force. For example, total placements of handicapped applicants during 1962 swelled to nearly 280,000 or an increase of 9.1 percent over 1961. The Committee has been actively engaged in helping to remove architectural barriers which impose further problems to the handicapped as they seek employment. One out of every nine persons in the United States would benefit by the removal of architectural barriers. Included in this number are the 3 million with severe heart conditions, the 250,000 in wheel chairs, the 200,000 with heavy leg braces; the 140,000 with artificial limbs, and the 16½ million persons who are over age 65. Thus, with increasing numbers of persons and with improved services and activities, the additional $100,000 per year requested in this Senate joint resolution seems minute. I urge, therefore, the passage of this resolution, and I trust that every Congressman present voting positively for this measure will recognize that he renders a service not only to others but to the development of our basic concept of equality for all Americans.

Mr. GROSS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion of the gentlewoman from Oregon that the House suspend the rules and pass Senate Joint Resolution 103.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and bill was passed.

A motion to reconsider was laid on the table.

PRINTING OF ADDITIONAL COPIES OF HOUSE REPORT 1480 ENTITLED "STATE TAXATION OF INTERSTATE COMMERCE"

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 779.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, That there shall be printed one thousand additional copies of House Report 1480 entitled "State Taxation of Interstate Commerce," with illustrations and maps, for the use of the House Committee on the Judiciary.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTEND INSURED HOUSING LOAN PROGRAM FOR ELDERLY

Mr. PATMAN. Mr. Speaker, I move to suspend the rules and pass House Joint Resolution 1041, temporarily extending the program of insured rental housing loans for the elderly in rural areas under title V of the Housing Act of 1949.

The Clerk read as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 515(b)(5) of the Housing Act of 1949 is amended by striking out "June 30, 1964" and inserting in lieu thereof "September 30, 1964".

The SPEAKER pro tempore. Is a second demanded?

Mr. HARVEY of Michigan. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, House Joint Resolution 1041 which has been introduced by the gentleman from Alabama [Mr. RAINS], chairman of the Housing Subcommittee of the Committee on Banking and Currency, was reported unanimously from the Committee on Banking and Currency and I believe it is completely noncontroversial. All it would do is provide a 90-day extension for the program of insured loans on rental housing for the elderly in rural areas. This is necessary because existing law includes a termination date of June 30, 1964, and it is evident that the Congress will not have time to act on general housing legislation by then.

This is a small, promising program which was established just 2 years ago by the Senior Citizens Housing Act of 1962 and is part of that growing recognition of the need for more and better housing for the elderly. In fact, the Senior Citizens Housing Act passed the House by the overwhelming vote of 367 to 6. The program involves not 1 cent of cost to the Government. By insuring loans it enables private lenders to fill this urgent need wherever possible. The borrower pays a market rate of interest which covers the insurance premium and the Farmers Home Administration administrative costs, as well as the return to the lender. Since this program operates only in thinly populated places—rural areas and communities of less than 2,500 population—the individual loans are small and, in fact, are limited by law to not more than $100,000 per loan.

Right now there are 56 applications on hand in FHA offices and this resolution is needed to enable the agency to continue processing these loans until the Congress can act on general housing legislation.

I urge all of my colleagues to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. HARVEY of Michigan. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I take this time to ask the gentleman from Texas a question or two.

When was this program originated?

Mr. PATMAN. It originated 2 years ago, in 1962.

Mr. GROSS. Why have only seven loans been approved under this program?

Mr. PATMAN. These programs do not get off the ground quickly or immediately, as the gentleman knows. It takes time for planning and many other things. It is making satisfactory progress. There are 56 applications pending.

Mr. GROSS. You do not really expect very heavy participation at a 5¾-percent interest rate, do you?

Mr. PATMAN. Well, there seems to be quite a demand for it; yes. The fact that 56 applications are pending would indicate that demand.

Mr. GROSS. Fifty-six applications are not many for a program of this kind. How does the interest rate compare with the interest rate on the International Development Association loan program? What is the IDA interest rate?

Mr. PATMAN. I do not recall offhand whether the IDA interest rate is 1 percent or less. But in any case, these housing loans are, $50,000, $60,000, or $100,000. They are not small. They are large loans and they are intended to be on a private business basis.

Mr. GROSS. They are large loans?

Mr. PATMAN. Yes, up to $100,000.

Mr. GROSS. Of course, loans to foreigners under IDA can be for several million dollars, is that not true?

Mr. PATMAN. That is true.

Mr. GROSS. And at no interest rate at all for 50 years. How does the gentleman square the IDA program for loans to foreigners, that he supports, with an interest rate of 5¾ percent for the elderly citizen of this country?

Mr. PATMAN. We have to deal with these things on a separate basis. Each one stands on its own legs.

Mr. GROSS. Yes, I guess you do have them on separate legs. But how can you square your philosophy, particularly with respect to an interest rate of 5¾

percent to be levied upon those who want to provide facilities for the elderly of this country with a 50-year loan with no interest for foreigners?

I have been waiting for a reply, but I suspect it will be a cold day in July before the gentleman gives me a good, solid answer.

Mr. PATMAN. I will answer it now. It is for different persons. One is for the elderly people of this country. The other involves foreign affairs and peace in the world, and a program in which we are only one of 17 lending nations.

Mr. GROSS. And peace in the world?

Mr. PATMAN. Yes.

Mr. GROSS. How do you square this insofar as the international program is concerned?

Mr. PATMAN. We want to get along with these other countries. We want to make it possible for them to live so that we are not going to have civil war, chaos or communism. It is part of our overall program.

Mr. GROSS. I am sure the gentleman will agree there is a good deal of fighting and dying going on in Vietnam, and elsewhere in the world. So we are not exactly at peace, and I doubt if the gentleman really believes we are going to buy peace anywhere in the world.

Mr. PATMAN. No single appropriation will do it, I agree with the gentleman. He is exactly right, no single appropriation will do it.

Mr. HARVEY of Michigan. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. HALEY].

Mr. HALEY. Mr. Speaker, I should like to present a question to the Chairman of the Committee on Banking and Currency. I am also disturbed about the interest rate. We talk a good deal about assisting the elderly people, yet you have in this particular program one of the highest interest rates that the Government collects from any other project or any other agency. I wonder how you can explain, for instance, lending REA funds at 2 percent, or some foreign loans, we make at no interest rate; when here we charge a substantial interest rate on these projects where apparently the Congress and everybody else says they want to help these elderly people.

Mr. PATMAN. This is just one program. It is a plan for large projects, and it takes an interest rate that will, of course, enable the lenders to get their money back and maintain the program on a business basis. It is a private project. The Government is not out any money on this.

Mr. HALEY. I understand that.

Mr. PATMAN. The interest rate is high, but there are other programs where the interest rate is much lower.

Mr. HALEY. May I just say to the chairman of the Committee on Banking and Currency, I hope that someday he and his committee will go over the various rates that are charged for these programs and let us see if somewhere along the line we cannot establish a happy medium so that we will not continually have people saying to you, "Well, the Congress did this in a particular case at a lower interest rate," and so forth. I just wish that there would be some figure beyond which you could not go.

Mr. PATMAN. As long as you have some of them public and some of them private you are going to have differences in the amounts of interest. There is no way to have an exact cost on all programs.

Mr. HALEY. I thank the gentleman.

Mr. HARVEY of Michigan. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the gentleman from Texas has well summed up the action of our committee on this bill. It was reported out unanimously. In my own case I opposed the omnibus housing bill of 1962 although I was in favor of this particular act when it was reported in 1962. Thus far there have been only 56 applications for this particular program. When you consider that we have 50 States, it shows that over a 2-year period the program has not been utilized to a very great extent. Undoubtedly the factor that has entered into it is the interest factor, which the gentleman from Iowa commented upon, which accounts for the fact it has been used very little. Regardless of that fact, the committee felt that under all circumstances it would be desirable to continue this program for an additional 90 days, and I urge the Congress do that.

The SPEAKER pro tempore. The question is: Will the House suspend the rules and pass House Joint Resolution 1041?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

EXTENSION OF DEFENSE PRODUCTION ACT OF 1950

Mr. PATMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10000) to extend the Defense Production Act of 1950, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 717(a) of the Defense Production Act of 1950 is amended by striking out "June 30, 1964" in the first sentence and inserting in lieu thereof "June 30, 1966".

SEC. 2. Section 303(b) of the Defense Production Act of 1950 is amended by striking out "June 30, 1965" and inserting in lieu thereof "June 30, 1975".

SEC. 3. Section 304(b) of the Defense Production Act of 1950 is amended by striking out the period at the end of the next to last sentence and inserting in lieu thereof a colon and the following: *"Provided,* That no new purchases or commitments to purchase under section 303 shall be made or entered into after June 30, 1964 (except purchases made pursuant to commitments entered into on or before such date), unless the President makes a finding that such new purchases or commitments are essential to the national security: *Provided further,* That the total of such new purchases and commitments, including contingent liabilities, made or incurred under section 303 after June 30, 1964, shall not exceed $100,000,000."

The SPEAKER pro tempore. Is a second demanded ?

Mr. KILBURN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, the existing program is essential to our national defense. The Defense Production Act was first passed in September 1950 and has been extended at regular intervals since that date. In 1962 it was extended to June 30, 1964.

A number of provisions in the original act have been terminated because they were no longer considered essential. H.R. 10000 would extend the remaining provisions which are deemed essential for another 2 years. First of all, it would extend contracting authority so that purchases and sales of essential goods and services would be extended from June 30, 1965 to June 30, 1975, among other things, and would enable the General Services Administration to contract for the sale of materials that were purchased at a time when materials were considered to be in short supply but which are not now needed in large quantities.

The remaining provisions of the act provide authority for priorities and allocations; authority to guarantee loans to defense contractors who need working capital or equipment for new defense production, as well as lending and procurement authority. Other provisions contain authority permitting voluntary cooperation of businesses to meet defense needs and authority to restrict shipping under the priorities and allocations authority of the act in the case of certain critical materials.

The administration has recommended that all of the above provisions of the Defense Production Act be continued. The administration has also included a provision relating to the cancellation of interest. This provision would be deleted by the amendment at the desk. That is the sole purpose of the amendment. It is preferred because there is a good deal of opposition to canceling the interest payments to the Treasury for obligations created from previous investments in defense production programs. A number of Members are opposed, so, in the interest of getting this very necessary legislation enacted before its termination a few weeks hence, a majority of the committee is willing to eliminate the one controversial feature of the original bill. It is not an essential part of the legislation. Of course, the matter may come up in conference and if it does, we will have to cope with it at that time.

Mr. Speaker, H.R. 10000 with the amendment should be passed without delay.

The SPEAKER pro tempore (Mr. ROONEY of New York). The Chair recognizes the gentleman from New York [Mr. KILBURN].

Mr. KILBURN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I think the chairman of the committee, the gentleman from Texas [Mr. PATMAN] has stated the case well. If Members will look at the report, they will notice every single member of the

minority on the committee signed the minority views. In my own judgment, I would think that the House, if it ever came to a vote on that point, would sustain the minority members' views on the payment of interest. The chairman has offered an amendment to correct that and put it the way it was, so that interest has to be paid. I just want to add this.

In view of the position of the House, I would like to have it absolutely understood that our conferees will stick on that and not just try to make the best deal they can—but stick on that point.

Mr. PATMAN. It has always been my policy as chairman of the committee to maintain the position of the House. My loyalty to that principle has been demonstrated in the past. That will be my position and I know it will be the position of the other conferees if we have a conference on this bill. If we were to agree to an absolute commitment in advance, we would tie our hands and we would be, in effect, telling the other body that they will have to go a certain way or there would be no bill.

Furthermore, it would be in violation of the rule of the House, as I understand the rules to provide, that every conference between the two Houses must be a free conference. The conferees must have that freedom to act and they must have flexibility. They cannot be placed in a straitjacket.

Mr. KILBURN. But the conferees can be instructed.

Mr. PATMAN. But they cannot agree in advance that they will do certain things. I have known it to happen in the Congress, where one body did that and the other body would refuse to have a conference on the theory that the rule requires the conferees to be free and, if the conferees are tied up, there is no free conference. All I can say to the gentleman is that I personally will do my best to maintain the position of the House and I feel sure that the other Members on this side will do likewise.

Mr. KILBURN. I would point out to the gentleman that I understand the rules of the House, but I still want it to be understood that we are agreeing to this on the understanding that the House is going to stick to its position.

Mr. Speaker, I now yield 3 minutes to the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Speaker, I take this time because I think the House should know, in view of the colloquy that has just taken place with regard to the matter of what may happen in conference with regard to this interest payment, that the Director of the Bureau of the Budget appeared before the committee and at that time presented a letter and followed up his letter with his personal statement. There is a particular provision in the letter that I would like to call to the attention of the House. This statement is as follows in a letter dated April 23, 1964, from Kermit Gordon, Director, to the chairman of the committee, the gentleman from Texas, the Honorable WRIGHT PATMAN. It reads as follows:

> No useful purpose would be served by continuing to require payment of interest on funds borrowed from the Treasury some time ago to finance the acquisition of these largely inactive inventories.
>
> To continue to require the payment of interest would only add additional costs to the program, thereby increasing the deficit of the fund. This would require seeking an appropriation each year for the sole purpose of paying interest to the general fund, by the movement of funds from one pocket into another, with no effect on the Treasury.

My question is, Does the chairman, in view of the fact that he is agreeing to the amendment and in view of the fact that the majority of the committee is agreeing to the amendment, have any information indicating that there has been a change of position by the Director of the Bureau of the Budget or by the administration in regard to this provision?

Mr. PATMAN. All I can say to the gentleman is that I expect personally to do everything I can to maintain the position of the House, and I believe the majority Members will do as much to maintain the position of the House on this subject. We are not going for or against the Director of the Bureau of the Budget. We are concerned about getting the bill through by June 30—passing it in the House of Representatives; in agreeing to this amendment, we obligate ourselves as conferees to maintain the position of the House.

That will be my position.

Mr. TAFT. The question I have is, Has there been any indication of any change of position on the part of the administration in this connection?

Mr. PATMAN. I have not contacted the administration. I do not know of any. I assume they would not change, because they were rather adamant in their position. Of course, they base that on something the gentleman did not bring up. They base that on the precedent that in the 80th Congress—which was, of course, under the control of the gentleman's party—the Congress did agree to do a similar thing concerning the Reconstruction Finance Corporation. It was believed that since it had already been done at one time, and by the opposite party, there would be no problem for the administration to get this through as proposed.

But we are trying to get this bill through by June 30. To do that we are agreeing to the amendment.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. KILBURN. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. PATMAN. Mr. Speaker, will the gentleman yield further?

Mr. TAFT. I am glad to yield further to the gentleman from Texas.

Mr. PATMAN. We agreed to sustain the gentleman's position on the interest provision, as I said, and, in doing that, we obligated ourselves to maintain the position of the House.

Mr. TAFT. I thank the gentleman for his explanation.

I should like to comment somewhat further on this. At the time the action was taken in respect to the Reconstruction Finance Corporation, the future ongoing activity of that corporation in every respect, except for the pure liquidating process, certainly was one of termination.

Under the provisions of this bill, as presently proposed, certain functions, it is true, would be terminated, and there is a liquidation in process; however, as I understand it, many other functions may continue over a long period of time.

I should like to point out, to the extent that this interest might be removed from the budget as originally proposed, this would present a more favorable budget comparison in this election year. This is similar to what happened on the Commodity Credit Corporation bill, which came before the House awhile ago, as to which there was a discrepancy presented in regard to the comparative budget figures because of the wiping out of required payments of some $930 million. This bill, I would suggest, would be a part of the same pattern, unless the amendment is adopted and stuck to by the conference committee. I feel that this is necessary, because I consider that this bill is another instance of "budget gimmickry" which is being carried on by the present administration in fixing up comparisons as between fiscal years 1964 and 1965, a process which began with the state of the Union message, in which it was stated with pride that the figures were going to be some $1 billion lower than the figures presented to the House for the fiscal year 1964 by President Kennedy. In fact, the actual comparison should have been between the figures actually approved by this House and the figures being asked for fiscal year 1965, which would point out that the budget increase actually involved and being asked for, was in excess of $5½ billion.

Mr. PATMAN. Mr. Speaker, I yield myself 3 minutes.

The gentleman from Ohio has suggested that the interest waiver originally in the bill was political, that it was intended to keep the budget down, and that it would present an untrue budget or a false budget. I do not share the gentleman's views.

If we wish to impugn motives, we could even say that the gentleman was opposing this because he would like to put the administration in an unfavorable light by requiring the payment of a large sum of money as interest, when it is really not true at all. Either way the budget surplus or deficit would not be changed.

That is just like taking money out of one pocket of Uncle Sam and putting it in another pocket of Uncle Sam. There are strong arguments in favor of the original proposal, but we have given up the argument because we want to get the bill passed now, having agreed to the amendment, and we are committed to defend the position of the House. That is what we will do. However, I assure the gentleman that there are no politics in this, not on our side at least, nor am I accusing the gentleman of making politics out of it on his side.

Mr. Speaker, I hope this legislation passes.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas that the House suspend the rules and pass the bill H.R. 10000.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

EXTEND FEDERAL RESERVE DIRECT PURCHASE AUTHORITY

Mr. PATMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11499) to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355), is amended by striking out "July 1, 1964" and inserting in lieu thereof "July 1, 1966" and by striking out "June 30, 1964" and inserting in lieu thereof "June 30, 1966."

The SPEAKER pro tempore. Is a second demanded?

Mr. KILBURN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, this bill would extend for 2 years the authority of the Federal Reserve banks to purchase U.S. obligations directly from the Treasury up to a limit of $5 billion.

This direct purchase authority was originally provided in 1942 for a period of 2 years and has been extended periodically since that time. The existing authority expires on June 30, 1964.

Secretary of the Treasury Dillon and Chairman Martin of the Federal Reserve, in testimony before our committee, strongly urged the passage of H.R. 11499. This authority is designed to protect the U.S. Treasury against the inevitable uncertainties in estimates of receipts and expenditures, in borrowing operations and any other contingencies such as a national emergency. In addition, this seldom-used power permits more economical management of cash and by allowing the public debt to be kept at a minimum thus saves the taxpayers unnecessary interest costs.

Mr. Speaker, the Banking and Currency Committee unanimously approved this legislation. I do not see how anyone could seriously object to it and it should be passed without delay to avoid lapse on June 30.

Mr. Speaker, I reserve the balance of my time.

Mr. KILBURN. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, this is the legislation which the late and distinguished Senator from Ohio, Mr. Taft, described back in 1942 as a printing press money bill. Make no mistake about it, there could be outstanding within 2 years' time, if it is so desired, at the expiration of the life of this bill, $5 billion in printing press money, and there would not be much that could be done about it except to levy taxes to take the money out of circulation if that should be the case. The authority, as provided by this legislation in the past, has not been abused. I fervently hope it will not be. I simply point out the dangers inherent in this kind of legislation.

Mr. KILBURN. Mr. Speaker, I think this is a good bill. I think it is a fine arrangement, and just for the information of the gentleman from Iowa, although perhaps he knows it, it has been used just twice or for 2 days on one occasion in the last 9 years.

It is simply a device to quickly take care of a possible shortage due to tax returns in the Treasury.

I am sure that both Chairman Martin and Secretary Dillon realize the situation. They have been very, very careful in the manner in which they have operated under it.

Mr. Speaker, this is a good thing to have in a backlog if some unforeseen emergency came up. That is the reason they have never used anywhere near the amount authorized, of course, since 1942.

Therefore, I believe that we are all agreed, at least on our side, that it is a good bill and I hope that it passes.

Mr. GROSS. Mr. Speaker, would my friend, the gentleman from New York, yield to me?

Mr. KILBURN. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. I tried to make it plain that this authority had not been abused insofar as I have been able to discover and it is my fervent hope that it will not be abused, but I am sure my friend, the gentleman from New York, will agree with me that there is nothing to prevent cranking up the Government printing presses and printing $5 billion worth of currency that could be outstanding at the termination of the effectiveness of this act.

Mr. TAFT. Mr. Speaker, will the gentleman yield?

Mr. KILBURN. I yield to the gentleman from Ohio.

Mr. TAFT. Mr. Speaker, I think it should be made clear here that regardless of what the provisions of the original bill may have been in this regard back in 1942—and I will be frank to say that I do not know what they were. I do know that the provisions here can apply only if the Federal Reserve goes along with the request of the Treasury to make the borrowing which is requested by the Treasury on an emergency basis.

Mr. Speaker, in view of this additional safeguard and the confidence which many of us have in the Federal Reserve as it is already set up, at any rate, I see no particular danger involved in the bill which I think we need to go into today.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas that the House suspend the rules and pass the bill H.R. 11499.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. This concludes the suspensions.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GROSS. Mr. Speaker, it is not then proposed to take up H.R. 4994, the labeling of imported woven labels?

The SPEAKER pro tempore. The Chair will advise the gentleman that that bill has been put over.

PRAYER AND BIBLE READING IN PUBLIC SCHOOLS

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, it is 10 days less than 2 years since the U.S. Supreme Court's decision barring prayer and Bible reading in our public schools.

I have tried in those 2 years to bring this matter before the House. Finally the Committee on the Judiciary started hearings in April, but up to the present time we have no result of those hearings.

I would like the Committee on the Judiciary to bring in a recommendation. Knowing the time is running short in this session, however, I have sent a letter to the members of the Committee on the Judiciary and Members of the House asking for their support and signature on the discharge petition I have filed. I did not do this during the course of the hearings starting in April up until the present time, but I feel with the shortness of time I must now proceed and ask the Members to furnish the balance of the 52 signatures necessary to bring this matter before the House during the present session.

The letter I refer to follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 15, 1964.

Re discharge petition No. 3: (H.J. Res. 693 and 58 identical open rule, 4 hours' general debate).

DEAR COLLEAGUES: The hour is getting late in this session of Congress, time is running out, and that is what the opposition is counting on.

Almost 2 years have passed since the Supreme Court decision of June 25, 1962, the hearings have been held, and there is no word of any action to be taken by the committee—111 Members have introduced similar resolutions—166 Members have signed the discharge petition—many of these have never signed one before. The issue is entirely different—a principle is involved—52 more signatures are necessary. Many Members have assured me they will sign if nothing is forthcoming from the Judiciary Committee.

I advised the members of the Judiciary Committee last week that I am forced to make this move—and I hope you will understand. The urgency of this matter is so great, and I believe, with all my heart, the great mass of the American people support this move to return the first amendment to its original meaning—as it stood for 175 years.

In listening to the opposition testimony before the Judiciary Committee, I almost forgot I was living in a democracy. The word "democracy" was constantly stressed by

the opposition witnesses. All I seemed to hear was the constant refrain, "We must respect the right of the minority, even a minority of one." True, but what about the right of the great majority? Is this a thing of the past? I always thought the "spirit of tolerance" was a two-way street, but it was very apparent the "opposition" does not think so and only desires the right of the "minority of one" to receive consideration.

By this amendment, children throughout this Nation will have the right, once again, to offer prayers and read from the Bible in our public schools—on a voluntary, noncompulsory basis.

All I ask you is to "let your conscience be your guide." Sign the discharge petition now and bring this matter to the floor of the House, for debate and a vote.

Sincerely yours,

FRANK J. BECKER,
Member of Congress.

FREE ENTERPRISE IN THE FREE WORLD: A BUSINESS-GOVERNMENT JOINT VENTURE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, when the National Chamber of Commerce held its 52d annual meeting here in Washington April 26 to 29, 1964, Mr. William Blackie, president of Caterpillar Tractor Co., Peoria, Ill., and the Honorable Dean Rusk, Secretary of State, engaged in an interesting colloquy entitled "Free Enterprise in the Free World: A Business-Government Joint Venture," and I ask unanimous consent that the entire text of this colloquy be reprinted in the RECORD at this point.

COLLOQUY—FREE ENTERPRISE IN THE FREE WORLD: A BUSINESS-GOVERNMENT JOINT VENTURE

(By William Blackie, president, Caterpillar Tractor Co., Peoria, Ill., and the Honorable Dean Rusk, Secretary of State)

Mr. BLACKIE. Mr. Chairman, chamber members, ladies and gentlemen, Mr. Secretary, those of us engaged in international trade, and particularly in operations involving oversea investment, recognize that in the ordinary course of our business we are, or could be, an arm, an instrument of American foreign policy. When this is so, we would hope to be a good right arm, and it is in this spirit that we approach discussion of business-Government relations and responsibilities in foreign economic affairs. We do not have in mind any idea that the one would make decisions for the other or that decision-making would be a joint responsibility. Each has its separate and proper functions and objectives, but in the long run these should tend to converge on one point of perspective—a strengthening of the United States. In such circumstances, I believe I speak for American business when I say that we are prepared to recognize our responsibilities as an instrument of national foreign policy. To be as effective as possible, however, we feel that in some respects we could properly be aided more and possibly restricted less by our own Government. We understand that this view is now becoming more widely held in official circles here in the Capital and that you, our Secretary of State, are one of the leading exponents of the idea of a more constructive rapprochement in foreign affairs between National Government and international business.

On behalf of the Chamber of Commerce of the United States, I therefore offer you a very special welcome to this meeting, Mr. Secretary, and I invite you to open this morning's path to greater understanding by telling us first how you define what U.S. foreign policy is trying to accomplish today and to what extent American business abroad is, or might be, a means toward achieving the objectives.

Secretary RUSK. Mr. Blackie, let me first say how very happy I am to have a chance to be here with you and the chamber of commerce this morning.

As a matter of fact, the central objectives of our foreign policy and the guiding principles on which we operate are relatively simple and are well understood both at home and abroad. You can find a modern definition of them, for example, in articles I and II in the preamble of the United Nations Charter.

If people become puzzled, as they frequently do, it is because it is not easy to know how to apply those principles and to seek those objectives in relation to some very complicated and fast-moving and even dangerous situations in all parts of the world. It isn't surprising that they are puzzled, because we who carry responsibility are frequently puzzled as well. But in essence what we are trying to do is to help to build a world environment in which this country will be safe and prosperous. And that is just about it.

For the first decade of our history we exploited, if you like, the differences among the then great powers to help us on this continent in developing it and expanding the United States. We went into about a century of isolation, and then during and after World War II we discovered that our own safety and prosperity required us to take a massive interest in the affairs of the rest of the world. And so under today's conditions we must be strong enough to deter aggression and to reduce the dangers of nuclear war, because nuclear war is an operational question under modern conditions.

We must expand and strengthen our relationships with other free world industrial countries, to develop that common strength that we need, and we must help the developing countries of the free world to realize their own aspirations for modernization and for a better life.

Now, you men in business play a critical role in all of these three. A high level of business activity and a growing, dynamic economy here at home makes it easier for us as a nation to meet our large international responsibilities. The GNP and its rate of growth are very important elements in our total strength, and so we in the Department of State are very much concerned about how we are doing at home.

Foreign trade and investment, which are carried out by the business community itself, can greatly strengthen ties among these countries of the free world, and of course you can do a great deal through trade and investment in the developing countries of the world as a major instrument for bringing modern technology to grips with the problems of economic growth.

Now, I think there is another element, too. You are the ones who can demonstrate as responsible businessmen that modern capitalism is not the kind of capitalism against which Karl Marx ranted in the middle of the 19th century, because that ideological struggle is still important, and the ghost at which Karl Marx was pointing no longer exists, even if it did exist in part only in the 19th century.

And so responsible management has a great deal to do with telling the rest of the world what kind of country we are.

Mr. Blackie, I will be interested in knowing what you as an experienced international businessman are trying to accomplish overseas and what in general you find to be the objectives of American business abroad.

Mr. BLACKIE. Our motives and objectives as private businessmen are, within our sphere, not unlike those which you have defined as the purposes of national foreign policy.

We seek to secure and improve our position in a world in which long-term success rests on the basis of progressive accomplishment. We recognize that growth and prosperity are matters of decision and action. The ultimate objective of both nation and business must surely be betterment, improvement, gain. In the national sense, a gain is probably best measured in real security—economic and social and political and military strength in relation to that, of course, of the opposition.

In a business sense, gain is measured by success in the honorable processes of earning a profit, in the face of whatever competition may exist.

In order to do our part better, it would be helpful if we in business knew more about our Government's attitude toward our operations abroad, what it expects of us; are we to export more but invest less, are we to trade everywhere but to eschew investment in the more developed countries while increasing it in the riskier, less developed areas?

Secretary RUSK. Mr. Blackie, in the first place I would urge you to be yourselves when you go abroad and be yourselves at your best. I see no reason why businessmen should have different goals in their operations abroad than they have at home, because the very qualities that enable a firm to operate at a profit and to protect the interests of its shareholders and employees apply to operations abroad. Expert knowledge, flexibility, imagination—those are the things that mark the management of any successful firm, and those when applied abroad turn out to be a powerful support of American objectives abroad.

But conditions abroad vary. They differ from those at home. And it is the test of good management to gear operational methods to the conditions of the market. So, if U.S. business is to be effective in trading with other industrial countries, and we think it is essential that you be successful, then it must not view these countries as merely an extension of the U.S. market. We must be prepared at all times to compete, both at home and abroad, with foreign goods. And that competition will be difficult, but it will be to the mutual advantage of both ourselves and our trading partners.

The more open our trading environment, the stronger will be the economic foundations of the free world.

Now, in the developing countries of the world we should be alert to the great differences in conditions and outlook that characterize these nations as well as their needs, and we must be prepared to adjust to these individual situations. The opportunities for large-scale trade and investment are there.

Remember that the great adventure of American business has been in the growth of American population and its own standard of living, and out in that part of the world lie the vast markets of the future on which expansion can be built. But they require greater reliance on new forms of investment, more emphasis on manufacturing sectors, through joint ventures and licensing agreements, and efforts to train the nationals of these countries for management positions as rapidly and extensively as we can.

Our commitments abroad are long-term commitments, and these modern operating guidelines which you gentlemen have been hammering out in your own experience would be consistent with that type of long-term commitment. I think experience shows and will show they also make good business sense.

In turn, Mr. Blackie, what does business expect from its Government abroad?

Mr. BLACKIE. I think business expects only that kind of cooperation to which it is entitled by reason of its position as a corporate American citizen, a U.S. taxpayer, and a member of that great body of private enterprise which, in pursuing its own ends, generally also serves the best interests of the country as a whole.

I might inject a personal thought also, because I have a rather strong opinion that since it has chosen to exact its pound of taxation from the flesh of our overseas gains, if any, our Government has incurred an obligation to contribute some quid pro quo. And business, I believe, is perfectly willing to fight its own battles when it is free and able to do so. But it needs and deserves help when it runs up against a sovereign power in areas, for example, where the matter must necessarily be handled on a government-to-government basis. These would include reduction of foreign barriers which impede exports of American goods, tariff duties, nontariff barriers, and some of the more subtle forms of discrimination which will undoubtedly be discussed in Geneva in the forthcoming weeks.

We would hope, too, that in helping to build up the growth and expansion of other nations' economies our Government would avoid doing so by subsidizing projects in direct competition with private U.S. business. I happen again to have a rather strong personal opinion which does not favor the so-called import replacement view, one which says it is more blessed to help a foreign country make our products than it is to receive the many benefits of holding that market by the export of goods made in America. And my view is even dimmer when this sort of thing is financed with any part of our tax money.

We respect the whole concept and function of competition when it is conducted on equal terms, but these do not include the involuntary subsidization of one competitor by another.

Finally, we need the best possible cooperation from our Government embassies and missions abroad. We know, Mr. Secretary, that you have moved to upgrade the quality of official representation both in the commercial and economic areas. Perhaps you would like to tell us what we may now expect in these avenues of expanding opportunity.

Secretary RUSK. We have been making very serious efforts here in recent years to provide better Government service for American business abroad. Now, truth to tell, business and Government fell into some rather lazy habits during and after World War II when we were in a seller's market and the great problem was to find the goods to meet the demand around the world. That situation has changed. We are now required to compete and compete with increasingly effective competitors. So we have got to sell. We have got to provide the services.

Now, diplomatic efforts must reinforce that in every possible way. We have been emphasizing that to our Ambassadors and to all the members of our embassies, not just to the commercial representatives. We have been trying to expand our commercial representation, but we have had a certain difficulty in getting appropriations to expand those as much as we should like. But trade opportunities are a major target of our diplomatic representation abroad.

We need to find better ways to get that information to you as promptly as possible, so that those of you who can do something about it can move in to meet them.

There are still some unresolved questions that we need to work out on the basis of some experience. For example, at what point do you gentlemen want us to get into a situation where you are having your difficulties? From your point of view, you are better off to do it yourselves to the extent that you possibly can, and to call upon us when trouble seems to be looming and you need some help.

From our point of view there is the problem if we are to be brought in on the crash landing that we get in on the takeoff, so we need to keep in close touch with each other to see how our diplomatic effort can reinforce your own. But I think we are improving in these respects, and I think you are finding, from all the reports I get, that you are getting increasingly effective support.

Mr. Blackie, what can business itself do to help put our foreign economic policies into effect? I have been very much interested, for example, in your experience with the Illinois Trade Expansion Commission. I wonder if you could comment on that.

Mr. BLACKIE. Well, for business in a position to do so, one good way to aid foreign economic policy is to maximize domestic jobs, profits, even income tax revenues, through exports. This would also contribute the maximum toward more favorable balances of trade and of payments. In this regard, I believe that not nearly enough exporting is being done, and that many units of so-called private American enterprise are being more private than enterprising. In saying this, I hope I am not being inordinately proud of the fact that in the past decade the company with which I am happily associated has made a net contribution of $2½ billion to the balance of payments, and that last year, had it not been for our exports, the deficit would have been 10 percent greater.

Another business contribution to our objectives abroad would be made through foreign investment and licensing. As the profits return to the United States—and they are returning at a faster and heavier rate—they add to the sum total of our productive capital, our industrial wealth, and our economic strength. And while they are being used abroad, American money, know-how, and initiative help to build the kind of free, strong, independent societies that can help to preserve our similar form of society and the system that makes it possible.

As to the Illinois Committee for Trade Expansion, it consists of a group of about 50 Illinois businessmen who, because of their active interest in international trade and their experience and understanding of its significance, have willingly accepted the Governor's invitation to undertake voluntary work in an effort to stimulate exports from Illinois. Illinois is already the greatest exporter State in the Nation, but this is no reason why it should not be greater. So we have been conducting meetings, seminars, workshops, but our most dramatic and I think our most immediately rewarding action was the charter flight mission to Europe, with principal ports of call in Britain and West Germany. Seventy-eight responsible businessmen from our State made the trip, and they would vouch for its effectiveness.

I am sure they would also wish me to express their gratitude for the excellent preparatory work done by the U.S. Department of Commerce.

Now we are working with a number of other organizations that have similar interests, and we are seeking to aid them, to be the catalyst where they could do the job better than we.

Sans doute the purpose of our committee is to create jobs, to substitute employment for unemployment, to relieve distress and the burdens that go with it through the expansion of international exports from Illinois.

Benefits at a State level are, of course, equally valid at the national level. In few if any other objectives could there be found such a happy combination of mutually inclusive benefits to business, government, and the public at large.

Now, to direct a somewhat related thought to you, Mr. Secretary, there are some indications that our business activities overseas, our exports and returns on investments, may overcome the other reasons for our chronic payments deficit. Do you agree with this, and if so what are you doing to encourage it?

Secretary RUSK. We have been very much encouraged, quite frankly, in the last several months to see the strong improvement that has occurred in our balance-of-payments situation since the middle of last year. We do need a trade export balance of several billion dollars if we are to sustain our necessary international responsibilities in the years immediately ahead.

As you point out, our trading position is better and receipts from oversea investments have risen. We hope this trend will continue, and we expect for the year as a whole, a much improved position from that of 1963. But, on the other hand, we are not yet close enough to a position of equilibrium, and we can't relax our efforts to increase exports and strengthen our competitive position abroad.

And so, as far as the Government is concerned, as I pointed out a few moments ago, we are prepared to take every step that we can to encourage that development. The Cabinet Committee on Exports meets regularly to consider new possibilities. The National Coordinator for Export Expansion is trying to interest more American firms in foreign markets. The Government is trying to furnish improved credit facilities available to the exporter, and our entire Foreign Service, all of our posts overseas, are organized to give every possible assistance to our businessmen interested in foreign markets.

I might say also that I, too, am in the tourist business. I have solicited tourist business personally, and I have crossed the ocean to talk to a chancellor about chickens, so that I, too, am getting into this business of trade support and stimulation.

Mr. BLACKIE. What is it that U.S. policy is designed to accomplish in the complex and very important area of our relations, diplomatic and economic, with the so-called less developed countries? What kinds of societies, what kinds of economies are we trying to help them build? Are we trying to mold them in our image, or do we care if they emerge along socialistic lines?

Secretary RUSK. I would like to enter just a word of caution about the abuse or over-use of this word "socialistic." I think we need to remind ourselves that here in this country there is a very large involvement of public funds and finance in Federal, State, and local governments, larger than in some countries which call themselves socialist, and in some countries which call themselves socialist or are governed by a socialist government there is a very large and vigorous private sector.

Perhaps the best answer to the question is to repeat what President Johnson said on this subject in his speech last week to the Associated Press:

"What we desire for the developing nations is what we desire of ourselves—economic progress which will permit them to shape their own institutions and the independence which will allow them to take a dignified place in the world community."

The term "developing countries" includes a majority of the nations of the world and a majority of the world's population, and these countries are greatly diverse in culture and history and social organization.

Now, we ourselves are firmly convinced that these countries can make the most rapid progress in their attempt to achieve economic growth by giving all possible scope to private

enterprise. It has proven to be a highly adaptable form of economic organization, which in all circumstances manages to bring out the individual initiative that makes for economic progress. And we are not overlooking the fact that the Communist world, let alone the socialist world, is now talking a great deal about incentives and the necessity for letting a great many individuals make the hundreds of thousands of decisions that have to be made every day in a large and complex society. But as a nation we don't ourselves seek to dictate the form or shape of the econmic systems of other countries. These are basic questions of national policy and national decision in each of the countries concerned.

But, on the other hand, it is our objective to help these countries share with us a common environment of freedom and independence, and as a practical matter we believe that means a large and strong and vigorous private sector left alone to do its job, in accordance with the experience which we have had over the decades with private enterprise.

Now, Mr. Blackie, what do you think American business expects from these less developed areas? What factors persuade a company to go into a relatively new and unstable area? What kind of advice would you like to give them about the interests of American business?

Mr. BLACKIE. Well, one factor which would persuade a company to move into such an area would be, of course, natural resources not elsewhere available, or so readily or on such favorable terms. But apart from this as in a manufacturing enterprise, I presume that the major attraction would generally be an opportunity to capitalize on the market and profit proceeds which look sufficient to justify the risk. Unfortunately, the risk taking element in a profit earning enterprise is not always given the respect it deserves. Profit is not the wages for mere work. It should also encompass special reward for special risk taking. When we, for example, go into countries like Brazil, which is included among the less developed countries, we go for several reasons. One would be to supplement exports; another to defend an existing worthwhile market. But perhaps the most important in the long run would be to establish a place for broader future markets to be served as may be appropriate from foreign production or exports from the United States.

This leads me rather naturally to a question about our foreign aid program. As you know, this chamber has held a position favoring foreign aid as a proper part of U.S. foreign policy, and this it has continued in spite of some occasional misgivings about administration, effectiveness, cost, and interminability. Sometimes we may even wonder why we are for it, and we get a little bit concerned, this morning's paper says, perhaps unduly, about planned economies and the whole concept of planning.

Would you please help us reinforce our convictions or at least our position?

Secretary RUSK. Mr. Blackie, I think it is important to draw the distinction between a national development plan or a country plan, as we would see it from the point of view of our own AID organization, and a planned economy.

U.S. foreign aid is designed to stimulate the mobilization of private capital and not to replace it. Our program in effect must encourage and mobilize maximum self-help measures if they are to assist the developing countries to achieve self-sustaining growth. So its development plan is a major vehicle for determining those self-help measures, and one way of determining foreign aid requirements. It is somewhat comparable to some of the steps that one has to take in a Western country in allocating resources in time of war, because some of these countries are engaged in a war against their problems at the present time. It provides a framework for testing the consistency between a government's development objectives and the resources available to meet these objectives, because we don't like to see our aid simply disappear without a trace in the absence of a rational approach to development on the part of the receiving country. And these plans, so called, do help allocate those resources, somewhat in the way that an investment budget perhaps helps a company to apportion funds among its various divisions and enterprises. But these plans are consistent with a strong and growing private sector. Indeed, opportunities for the private sector are part of the plan. They are not to be confused with the notion of a planned economy in which the entire economy is run from a single center.

We should also remember that when foreign assistance is used to help countries build up their basic services—transportation, communications, and power—those things open up new opportunities for private investment and greatly improve the investment planning.

Now, another reason I think why you gentlemen should continue your support of foreign aid, which we have very much appreciated, is that it does help to provide jobs and exports here at home. Foreign aid supports American trade. More than 80 percent of AID's economic assistance funds are now being committed to buy products made in the United States. The percentage is still higher, above 90 percent, if you include Export-Import Bank loans and food for peace and military equipment.

It is estimated that the work that goes into producing commodities and equipment for foreign economic aid is the equivalent of more than 500,000 full-time jobs, but alongside of that is the fact that, by general experience, aid does open up channels of trade and is a powerful adjunct to the future development of a vigorous trade program.

I don't know whether I have helped to persuade you, Mr. Blackie, but how do you see this aid program now as you think about it?

Mr. BLACKIE. I think you have helped me, Mr. Rusk, to realize I am probably more afraid of planners than I am of plans.

As I mentioned, the chamber supports foreign aid, and one of the reasons it does so lies in the belief that it can promote private enterprise and initiative in these less developed countries. We have accordingly worked to encourage a maximum private business role in aid programs, and in this regard we particularly appreciate the cooperation we have received from AID Administrator David Bell.

The chamber is cooperating, for example, in establishing a new executive service corps of experienced U.S. advisers overseas, and I would not be surprised if some of the candidates are in the hall this morning.

But foreign aid, as we all know, can only help needy countries get started on the development process. They also need trade. These developing countries, therefore, are asking for some rather far-reaching preferences at the U.N. Conference on Trade and Development going on just now in Geneva. It seems neither the U.S. Government nor U.S. business is fully prepared to meet most of these demands. What can business and Government do, together or separately, to expand trade with the last developed nations?

Secretary RUSK. There are some expectations abroad these days which cannot, I think, be fully met, partially because economic facts don't permit it, but we can and must do a great deal to give the developing countries the opportunity to export more to us, and this is the only way they will be able to pay for their growing import requirements for machinery and equipment. A strong domestic economy will in itself provide a better market for the exports of those developing countries, but in addition we and other industrial countries must be prepared to reduce tariffs and other barriers to the import of primary products, semiprocessed materials, and manufactured goods of special interest to the developing countries. We should be prepared, with other industrial countries, to cooperate wherever and whenever feasible in efforts to stabilize the prices of specific primary commodities which are in chronic oversupply, and to do so at levels that are consistent with market forces and with development requirements.

Finally, we can do a great deal, both Government and private firms, in providing technical assistance to exporters in the developing countries. They need better knowledge of marketing opportunities abroad, the facts of markets, and the stimulus to upgrade the quality and design of their products to take advantage of these opportunities.

Mr. BLACKIE. Not all of our trade problems, of course, are with the less developed countries. There is a good deal of talk just now that the so-called Kennedy round of tariff negotiations under GATT, scheduled to start in Geneva next week, will not lead to substantial trade benefits for either us or Western Europe. What do you deem to be the prospects, and what might business do to help our Government win its battle for expanded trade, particularly with highly industrialized Western Europe?

Secretary RUSK. I hope no one is expecting these Kennedy round negotiations to be either quick or easy, but we do believe that the prospects for this Kennedy round are good. There has been much talk of our differences, and we tend to overlook the large area of consensus. We are agreed in general on a working hypothesis of a 50-percent cut in tariffs, with a minimum of exceptions, and we have also made good progress in clarifying the rules of the negotiations. But we should expect a period of hard bargaining, as is appropriate among large trade partners who are friendly with each other. But the main point is that we and our industrial friends continue to believe that there is great mutual advantage in further reducing the barriers to trade and expanding the volume of trade.

The public advisory committee, which includes you and other members of the chamber, will be very helpful in providing us with a continuing point of contact with American industry during the course of these negotiations, and so we shall be in very close touch with you about it.

Mr. Blackie, what do you see as the major obstacle to expanding trade among the industralized nations of the free world?

Mr. BLACKIE. One is the very purposeful intent of most of the industralized nations to become even more industrialized, more self-sustaining, more competitive, more export expert, and in fact to try to outdo us in all we are trying to do or be, and in their endeavors they are frequently favored by advantages of lower wage rates, lower taxes, and tax systems which favor exports. Thus, in our own Federal system a very substantial part of the revenue is derived from taxes on income and relatively little from taxes related to the sale of goods, but in the major countries of Europe, those most competitive in third party markets, a considerable portion of national revenue is obtained from sales turnover or value added taxes, which in accordance with the provisions of GATT are waived when goods are exported.

There may be some kind of argument on grounds of principle as between income taxes and sales taxes as a means of raising revenue, although it is my impression that we generally tend toward an expedient compromise between political acceptability and "get it where you can." But in international trade we cannot dictate the rules of the game, and if we are going to play to win we can hardly expect to do so if we place ourselves at a significant price disadvantage.

I suggest, therefore, that we recognize that in third party markets we are lacking an advantage which could only be obtained if it were decided to modify our tax system to one which places less reliance upon disincentive income tax and more upon moderate sales or value added or similar type of tax, roughly in harmony with the uniform practices toward which the European Common Market is moving.

But when we talk of expanded trade with Europe, or for that matter investment there, we seem generally inclined to presuppose that we are really moving toward closer economic, if not political, relations with Europe. In the light of some of the seeming strains in the Atlantic Alliance, recently so evident in the actions of General de Gaulle, is any assumption of an enduring Atlantic partnership a realistic one? Are we and Western Europe drifting apart rather than closing ranks?

Secretary RUSK. I have no doubt at all what the present and future long-range trend will be, and that is toward unity and toward partnership. There are some discussions from time to time that throw some doubt upon it and disclose some differences, but those differences have to do with how we write the next chapter, how we take the next step, and do not really bear upon the unity of the Alliance of the Atlantic if we were faced with external threat or serious danger. Indeed, free Europe itself, despite some of the discussions across the Atlantic, is moving toward unity. The three executives of the three communities are being unified this year, and we ourselves are moving toward closer partnership with this newer developing Europe.

There is a great deal of cooperation that has also been achieved by us and Europe in defense, in political consultation, and in trade, and financial and economic and other matters. The importance of these achievements is sometimes underrated because we and our European allies recognize that we must address our efforts to new tasks and to additional requirements in each of these fields, and where we go in this great process necessarily causes large public discussion and discloses some difference of approach. And so there are some strains, but they come about through differences in point of view about the future and the future direction. They arise also from changes in our relative position, as Europe continues to grow strong and to become better equipped to assume greater responsibilities and obligations. This "20-mule team" of the free world was pulled just after the war by 1 mule. The other mules were in the wagon, licking their wounds. Now they are out in harness and they are pulling this wagon. And those who think that there may not be problems about which directions we go don't recognize either mules or sovereign States.

Mr. BLACKIE. In this broad general area the hottest topic at the moment seems to be the so-called depolarization of the Communist bloc. There seems to be some growing thinking that it might be good for more than one reason if through trade we would establish a somewhat closer relationship with at least some of the European Soviet satellites, one in which they might perhaps turn a little more to the West and a little less to the East. I have read with great interest your explanation of why different Communist countries should be considered and treated differently. We are now doing business with Yugoslavia; Poland, Hungary, and Rumania have just stopped jamming our radio broadcasts, and the idea that we might aid our national policy, our foreign purpose and domestic business, by developing channels of trade and communication with some of these countries seems to me to have enough merit to justify very careful consideration. If you feel free to express them, we would certainly be pleased to hear your thoughts on that.

Secretary RUSK. Mr. Blackie, differences within the Communist groups of countries are, of course, a very significant development of these most recent years, and our position is that since these countries no longer form a monolithic bloc in political terms we should not treat them as a monolith in trade terms. I personally am inclined to keep my own eyes on two questions. One is: Are they prepared to leave their neighbors alone and live in peace? Second, are they making a strong effort peacefully to address themselves to the unfinished business of their own people? In other words, we must tailor our trade policies to differentiate among the Communist countries, in accordance with differences of behavior in each of these countries. Now, in the case of the U.S.S.R., which is a largely self-sufficient industrial complex, the hard core of our policy is to prohibit export of items of direct military significance. We also restrict shipment of machinery and data embodying certain items of advanced technology that might adversely affect our national security and welfare. But we do permit the flow of trade in and other consumer goods as well as in most types of equipment for production of these goods.

In the case of Eastern Europe, our policies take into account the different situations we see in the individual countries. You mentioned Yugoslavia. But, now some of these other Eastern European countries are seeking closer relations with Western Europe and the United States, and so in our trade policies we have sought to encourage such tendencies.

But in Communist China and North Korea and North Vietnam we face countries actively engaged in aggressive activities. They are not leaving their neighbors alone, and in response we have imposed a total embargo on our trade and any financial transactions with these areas.

In Cuba our restrictions on trade are a part of our total effort under the policies of the inter-American system as expressed at Punta del Este—to isolate Castro's regime and to reduce its capacity to subvert other governments, and those attempts at subversion continue. The Cuban economy is in bad condition and in our view should not be assisted by the free world.

But, in carrying out these policies we are trying to gain agreement with our allies on prohibiting the sale of commodities that would build up the military strength of the Communist countries. And I note that the proposal of the chamber on East-West trade supports this position.

In the area of trade in peaceful goods, I don't believe that we can do business with Communist countries simply on their terms. There are problems to be worked out in this field, particularly those relating to the protection of industrial property and to pricing policies, but we are prepared to explore these problems as a part of our effort to make trade a useful instrument of policy in our relations with Communist countries.

From the point of view of the businessman, under what conditions would you sell to Russia? Do you see a difference between the Soviet Union and these other countries?

Mr. BLACKIE. The question reminds me of George Orwell's "Animal Farm," when the Communist pigs declared, "All are equal but some are more equal than others."

Perhaps your question, Mr. Secretary, may be answered for my part by the gist of an internal memorandum which I recently wrote for general guidance within my own company. It has five points:

One, U.S. Government approval would be a basic prerequisite for any trade with any member of the Soviet bloc, and I would hope if it were given it might be something more than a mere passive consent.

Two, we would not be interested in doing business with a Soviet or satellite country unless the volume of business were to be fairly substantial. There would be no point in selling just a few machines of a few different models or a few prototypes to be copied. The time, trouble, and risk would not be justified, and the later consequences could destroy any earlier benefits. In my opinion, we should try to concentrate on reasonable quantities of relatively few models.

Three, if we could attain the foregoing objective it would simplify our third requirement that we would not be prepared to sell in any country unless adequate measures were taken to provide the necessary parts and service support. Our company's success has lain in providing our customers with all three basic elements—machines, parts, and service—and we should not depart from this principle in dealing even with a Soviet satellite.

Four, we should sell for nothing less than full price. If there are to be intermediaries between the Caterpillar source and the ultimate user, the intermediaries would have to get their margin of reward out of a price higher than the one we ordinarily realize.

Five, I believe also that we should grant no special credits to the Soviet Union or any of its satellites. At this stage of developments I do not think we would be justified in taking anything other than a least-favored-nation position.

Let me ask you another question related to this whole matter. The current issue of East-West trade has been brought to the fore in part by failures of communism in the economic sphere. Is weakness in the Russian and Red Chinese economies a source of Western satisfaction or not? Are we more afraid of Communist success or of the dangers of a belligerent Communist reaction to its own failures?

Secretary RUSK. I think this turns a great deal upon what the Communists are going to do with their resources. I am a little skeptical of the notion that a fat Communist is a peaceful Communist until I know whether in fact the additional resources which become available to him are going to be used to make people fat instead of making them well armed. The allocation of resources is the important thing. It could be a very important matter to peace and to us in the free world if the Russian people, for example, and the people of Eastern Europe find a way to require that the allocation of resources is directed more heavily to the consumer end. We have some interest in more goulash and in that second pair of pants. But it comes back to the question of what they are going to do about the rest of the world, whether they are going to leave their neighbors alone, whether they can recognize the fact that peaceful coexistence means peaceful coexistence and not simply a continuation of the world revolution through other means.

So these are things that need to be explored. There is an element of sobriety in the present situation, at least in Eastern Europe. There are elements of additional danger out in Peiping and the area surrounding Peiping but I think we are in a period of motion. I think there are points that need exploration. Trade exploration is one of them, but we should not be under any illusion as to what the character of the present problem is. We do not see yet the end of the trail or where the policies of these principal Communist countries will be leading. There is not yet a detente, Mr. Blackie, not yet a detente. Certain agreements have been reached, but the big, explosive, dangerous situations are still with us—Berlin, Cuba, Vietnam, and some others. Now there is a groping toward a greater responsibility, and we think there is an element of caution, an element of realism in a world in which there can be a nuclear exchange. I think they are concerned about it across the curtain as we

have to be concerned about it here. But these things have to be probed.

I don't see major and dramatic developments in this direction immediately ahead of us on any front, but we continue to probe, to find out whether we can find additional points of agreement, to move us a little further toward other points, whereby we can find out whether in fact peaceful coexistence can come to be real, as ordinary people in the free world would understand it, or whether a world of tension is for our future. But that means we must remain strong, continue our effort, show sturdiness as well as patience and get on with this job. And that means defense budgets, it means foreign aid, it means space efforts, it means a tremendous effort on the part of American business to see that our great economy here flourishes and that we put ourselves in a strong economic relationship with free countries right around the rest of the world.

U.S. PAVILION AT WORLD'S FAIR A DISAPPOINTMENT

Mr. RUMSFELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RUMSFELD. Mr. Speaker, as an American, I was amazed, disappointed, saddened, and, finally, maddened, during my visit to the U.S. pavilion at the World's Fair this weekend. Regrettably, it is a national disgrace, and that is probably an understatement. There is so much of the greatness of this Nation that needs to be told and retold, yet the impact of our costly fair pavilion is almost totally negative.

Meaningless newspaper blowups dominate the exhibit and a movie, constituting one-third of the exhibit and highlighting crowd and mob scenes is a waste of time and concludes with a credit line commercial for a New York bank. The ride, constituting another one-third of the exhibit, presenting a series of slides on American history, also falls short of the mark. Impressions on departing the pavilion are of civil rights demonstrations, crowds, mobs, and words such as "exploited," "conquered," "oppressed," "trampled," ring in one's ears.

This negative portrayal of U.S. life tells little of our Nation. Rather than inspire the thousands, young and old, who see the exhibit weekly, it effectively neutralizes any feeling they may have for this Nation. How did this happen? Who is responsible? The Smithsonian, the Archives, the Library of Congress, museums across the country, all would gladly lend historical documents and historical items for the exhibit. The film shown to thousands each week in Williamsburg, titled "the Story of a Patriot," could be made available and would say more in 35 minutes at little or no cost than the entire U.S. exhibit. Little use is made of our great American music. Again, this would be easy to remedy.

Mr. Speaker, I am today writing the President and the Secretary of Commerce urging that immediate steps be taken to revamp the contents and exhibits in the U.S. pavilion so that it can tell the eloquent story of our country and convey to the visitors the true greatness of this Nation. This can be done through inspiring movies, the use of music, and displays of historical documents and items, at relatively little cost.

I have recently received a communication from Independence Hall of Chicago offering to loan valuable documents and other appropriate historical Americana pertaining to our national heritage for the display and, in addition, offering to help raise some of the money that may be necessary to revamp the U.S. exhibit. There is, in my opinion, no excuse for delay.

THE U.S. EXHIBIT AT THE WORLD'S FAIR IN NEW YORK

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I have listened with amazement at the criticism of the gentleman from Illinois with reference to the U.S. exhibit in New York. I have seen that exhibit twice, and I enjoyed it the last time more than I did the first time I saw it.

There are certain lessons to be drawn from that exhibit and the showing which is made, and I am quite favorable to what is intended and how it is presented.

SENATOR BARRY GOLDWATER'S CANDIDACY AND ITS IMPACT ON REPUBLICAN CAMPAIGNS

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, if BARRY GOLDWATER is the Republican candidate for President, he will help more Members—via the coattail route—than any other Republican candidate. A survey, in which I participated, appearing in the June 14, 1964, issue of the New York Herald Tribune points out the aforementioned fact.

It was particularly interesting to note that out of 37 votes cast in the New England and Middle Atlantic States, 20 Members indicated that Senator GOLDWATER would not hurt their chances. It is therefore obvious that among those whose political careers are at stake in the so-called liberal areas, a majority do not object to Senator GOLDWATER.

Under unanimous consent, the aforementioned survey is included at this point:

WHERE GOLDWATER WOULD HELP AND WHERE HE'D HURT GOP

(By Michael F. Keating and Richard L. Madden)

Unlike Republican Governors, most Republican Congressmen, Senators, and aspirants are not alarmed at the prospect of running on a ticket this fall headed by Senator BARRY GOLDWATER. In fact, a majority say they like the idea.

But a sizable number of Republicans facing the test of the electorate are unhappy with the conservative Senator and fear that he might bring them down in defeat at the polls. These Republicans come mostly from the large industrial States, the States that hold the large populations and electoral votes so necessary for the election of a President.

These were the findings of a Herald Tribune poll of 125 Republican U.S. Senators, Representatives, and candidates for those 2 offices across the country.

The question: "In your judgment, would a Goldwater ticket this fall help, hurt, or make any difference in your candidacy in your district?"

The result: 53 said it would help, 28 said it would hurt, 33 said it would make no difference, 11 said they didn't know or didn't want to discuss it.

When the poll was taken last week, the "stop Goldwater" movement at the Governors' conference in Cleveland had collapsed and it appeared that Senator GOLDWATER had the nomination within his grasp. Therefore, the poll does not show the effect of Gov. William W. Scranton's entrance onto the scene as an active contender for the presidential nomination. At the conference, most of the Republican Governors expressed unhappiness at the prospect of a Goldwater-led ticket.

Geographically, Senator GOLDWATER was most popular among GOP officeholders and seekers in the South, Midwest, Mountain and some Western States. The endorsement from the South was unanimous.

He was least popular in New England and the big Middle Atlantic States.

Possible effects of a Goldwater ticket on the GOP congressional and senatorial races has been a favorite guessing game in recent days. "That's all they're talking about in the cloakroom," one Republican Congressman said. "They've even forgotten sex as a topic."

Help or hurt? It depends on who you talk to. For example, two GOLDWATER backers—Representatives JACK WESTLAND, of Washington, and BRUCE ALGER, of Texas—predicted that a Goldwater national ticket would result in an increase of 30 to 40 House seats for the Republicans.

But the moderate-liberal Republican camp came up with its survey showing that with Senator GOLDWATER the GOP stands to lose 30 to 50 House seats and 5 seats in the Senate, including those of KENNETH B. KEATING, of New York, and HUGH SCOTT, of Pennsylvania.

At present, the House is 274–178 Democratic with 3 vacancies; the Senate, 67–33 Democratic. All House seats are at stake this fall, but only 9 of the 33 Republican Senators are up for reelection this year.

Across the Nation, here is what they had to say:

NEW ENGLAND

Of the 10 Republican Congressmen from New England interviewed, none thought that Senator GOLDWATER would give them much help in getting reelected.

Three said a national GOLDWATER ticket would hurt them, five said it would not make much difference, and two said they either didn't know or declined comment.

"It's too bad that it won't be Lodge," said one New Englander. "But I don't think it will make much difference in my getting reelected."

Several GOP Congressmen from New England said they were banking on a moderate-to-liberal platform on which they could campaign. "I don't think it (a national GOLDWATER ticket) will be too relevant as long

as there's a good platform," said one. "I'm not too concerned about my changes, but I know some of the guys are."

Perhaps he was thinking of a fellow New Englander who said a GOLDWATER ticket "will put me in real trouble." It "might very well result in my defeat," he added.

MIDDLE ATLANTIC

In the populous, big-city Middle Atlantic States, including New York, Pennsylvania, and New Jersey, Senator GOLDWATER is regarded as more of a hindrance than a help by a number of Republican Congressmen.

Of the 30 GOP lawmakers running for reelection and interviewed by the Herald Tribune, 4 said Senator GOLDWATER would be a help, 14 said he would hurt their candidacies, 11 said it would make no difference, and 2 said they did not know or declined comment.

"On the whole," said one Pennsylvania lawmaker, "I would say GOLDWATER could carry my district, but naturally I'd be better off with Bill Scranton. I would have to work much harder with GOLDWATER heading the ticket."

"It will hurt," echoed another easterner. "With GOLDWATER," he added, "Republicans are going to have to paddle their own boats."

One eastern Congressman, asked how Senator GOLDWATER would affect his campaign, replied with a long silence. "That's your answer," he said. Asked to be more specific, he replied with an unprintable word.

The anti-GOLDWATER sentiment, however, is not unanimous among eastern salons. Several Congressmen noted, for example, that they come from districts with big Republican majorities and said they could see little impact on themselves with a GOLDWATER ticket.

"My district is pretty conservative," said one eastern Congressman. "I think Senator GOLDWATER could be a help to me."

MIDWEST

Next to the South, BARRY GOLDWATER is most popular in the Midwest. Of the 51 incumbents or candidates reached in that area, 27 said the Senator would help their campaigns, 6 said he would hurt, 14 said he would make no difference, and 4 had no opinion or comment.

Perhaps hurting the most of all is the Reverend Wilbur N. Daniel, a Negro Baptist minister running in Chicago's First Congressional District, which is nearly 100 percent Negro. "Senator GOLDWATER definitely will hurt my campaign," the Reverend Mr. Daniel said. "He does not stand for the things that the people in my district want." What will he do? "I will disassociate myself from the Senator as much as I can."

Another candidate, this one in Indiana, beat around the bush for 5 minutes before admitting: "Well, off the record, I'd be better off without GOLDWATER."

But at least two other Indiana incumbents said the State was basically a conservative one and a conservative at the head of the ticket would be good for all.

A candidate for a congressional seat in Iowa now held by a Democrat said a GOLDWATER candidacy would be damaging "but I don't think it's going to be as bad as some of us thought. Unless he changes his tune, though, it's going to be a little hard for us. It's going to give the Democrats quite an opportunity to embarrass us. I'm hoping to keep my campaign confined to local issues."

Incumbents in Ohio offered two sides. "I think it will hurt," said one man. "I'm just lucky I don't have much of an opponent this time."

Representative JOHN M. ASHBROOK, of Ohio, said: "It's about time. I like to see conservative representatives assert themselves. It is fine for the candidacy and for the party."

The reason given by those who said Senator GOLDWATER would be an asset was that their States were conservative ones and like the conservative views espoused by the Senator.

SOUTH

Few Republicans are elected in the South. But hope springs eternal, so there are Republican candidates. All of the men contacted who are seeking congressional seats now held by Democrats said they thought a Goldwater ticket would help their local campaigns.

"He's the only man mentioned who can help me," said William T. Stockton of Jacksonville, Fla., who is running in that State's Second Congress District, which never has elected a Republican. Mr. Stockton, a lawyer, felt that Senator GOLDWATER's stance on civil rights (basic responsibility is the States') would draw Democratic votes, and that's what a Republican needs to be elected in the South. "An integrationist could not be elected in my district," Mr. Stockton said. "GOLDWATER's stand on cloture (against) is something I can talk about here."

Paul J. O'Neill of Miami is running in the Third Congress District, regarded as the most liberal in Florida. It has the highest concentrations of Negroes, Jews, and other minorities of any district in the State. He thinks Mr. GOLDWATER will help him because he will attract a big white vote on the Republican side. "If the ticket was headed by any one more moderate it would hurt me," Mr. O'Neill said. It would be futile in his district to have a liberal Republican at the head of the ticket, he said, because the liberal vote always goes solidly to the Democrats. Besides a white vote, Mr. GOLDWATER also should bring out a lot of Republicans for a change because "he offers a choice," Mr. O'Neill said.

Rhodes Bratcher is running in the Second Congress District in Kentucky, which Republicans stand a chance of winning, and he likes Senator GOLDWATER, too.

"I think there is a strong surge of conservatism in this district," he said; "I think I can win with GOLDWATER." The district covers 16 predominantly rural counties. "There is disenchantment with the Democratic Party over how they've handled the civil rights issue," he said.

MOUNTAIN

Mountain State Republican Congressmen in general said they would be glad to have Senator GOLDWATER as the party's standard bearer. Of the six interviewed, five said a Goldwater ticket would help them win reelection. Only one said he would hurt.

"What else could GOLDWATER be but a help?" said one Republican. "He is a westerner, too. He is very popular in the area. He would be a tremendous help."

"Senator GOLDWATER will be a big help to candidates in the Southwest, West, Midwest, and the South," echoed another Mountain State Republican.

"Just say it will be a help," said another.

The only discordant note from the area was one from Congressman who said some of Senator GOLDWATER'S views were "a cause for worry."

But this westerner added that a moderate Republican platform, and Senator GOLDWATER'S actions and statements over the next few weeks could still help him attract the needed independent voters in his area.

WEST

Of the 19 Republican incumbents or candidates contacted in the Western States, nine thought Senator GOLDWATER would help, four thought he would hurt, three thought he would make no difference, and three had no opinion or no comment.

There were strong feelings on both sides, particularly in California where the liberal-conservative clash was vigorous and bitter in the Goldwater-Rockefeller primary election contest. "There is not a doubt in my mind that any candidate other than GOLDWATER will make my job much more difficult," said Robert C. Cline, of Los Angeles, a conservative running in the 22d Congressional District, one of the highest income suburban areas in the country and 54 percent Democratic despite it. "The Republicans who do the work are conservatives and they will work much harder for a conservative candidate," he said.

But in another part of Los Angeles—low income, many Negroes, a lot of labor unions, 65 percent Democratic—the GOP candidate was not happy. "I do not consider GOLDWATER an asset," he said, then added plaintively—"I do not think any Republican will help me." He does not plan to advertise his Republicanism.

"He will hurt like hell," said an incumbent California Congressman. "It will not defeat me, but it will make it harder for me where I would have had an easy race." His district went big for Governor Rockefeller in the primary.

Another California incumbent said that Senator GOLDWATER "will help four Republican candidates around the country whereas his name on the ballot might hurt one."

Those contacted in Oregon and Washington did not think the Senator's candidacy would affect them much one way or another. Senator GOLDWATER did very poorly in the Oregon primary election.

PRAYER AND BIBLE READING IN PUBLIC SCHOOLS

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, probably no single issue, other than civil rights, has generated more mail in congressional offices during this session of the 88th Congress than that which concerns pending amendments to the first amendment to the Constitution. Hearings on the amendments have been held by the House Judiciary Committee. The amendments were offered as a consequence of the decisions by the Supreme Court on prayer and Bible reading in public schools.

There is obviously extensive misunderstanding as to just what the Court did state in its majority decisions. It did not remove God from the classroom as some would have us believe. It did not prohibit voluntary religious exercises or silent prayer in classrooms. It did suggest that church and home are the most effective places for effective religious training of our boys and girls.

Fortunately, in recent weeks, many respected Americans, both in the ministry and the laity, and many major religious organizations have spoken clearly on the matter. Some of these enlightening, informative viewpoints I include in the RECORD at this point:

IS A PRAYER AND BIBLE READING AMENDMENT NEEDED?

(Statement of California Southern Baptist, Apr. 23, 1964)

Two historic Supreme Court decisions regarding required Bible reading and prayer in the public schools have opened the door to a wave of confusion growing out of a misunderstanding of what the Court said. Well meaning but misinformed Americans have denounced the Supreme Court and some have even called for the dissolution of the Supreme Court.

A rising tide of misguided action now threatens to overthrow one of the most cherished principles enunciated in the Constitution of the United States. The irony of this situation is that the dozens of amendments to the Constitution which have been proposed in Congress are all based upon a misunderstanding of what the Supreme Court said in the celebrated prayer and Bible-reading cases. It is widely assumed that the Supreme Court prohibited Bible reading and prayer in the public school. The Supreme Court has nowhere banned or prohibited the reading of the Bible or the offering of prayer in any of the Nation's public schools. What the Supreme Court did say was that the Government at various levels could not require Bible reading or the offering of prayer. This is vastly different from what many have understood.

The Constitution of the United States says simply, in the first amendment, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." By this simple statement the framers of the Constitution were guaranteeing to posterity the right to worship and conduct their religious affairs according to the dictates of individual conscience. Government is restrained from either restricting or promoting religion in any way. Thomas Jefferson said, in words quoted by the Supreme Court, that the first amendment erected a wall of separation between church and state. The Supreme Court across the years has upheld the principle of official Government neutrality toward any and all religious groups and practices.

In the two celebrated Bible-reading and prayer cases argued before the Supreme Court, the circumstances in each of the cases were that the Government—in the person of the school board—was officially requiring the reading of the Bible and/or the recitation of an officially composed prayer. The essence of each case did not hinge upon the fact of either Bible reading or prayer within the school. The point under consideration in each case was the fact that the Government, through its authority and prestige was requiring a religious act. In rendering its decision in the cases under consideration, the Supreme Court made it quite clear that its judgment was upon the fact of a school board as a governmental agency requiring a religious observance and not upon Bible reading or prayer as such.

The Supreme Court took great pains to indicate the value of religious culture in America and even suggested that an objective study of the Bible in the public schools would be proper. The carefully worded decision of the Court pointed out the importance and values of religion in American life. The Supreme Court decision in each case was not hostile to religion; rather, it was a major decision designed to guarantee the religious freedom which our forefathers sought. It is improper for government at any level to require any kind of religious observance. Religion is a matter of personal choice and practice in which the government may not interfere in any way.

Many public officials, particularly in the schools, have gone to ridiculous extremes in misapplying the Supreme Court decisions. They have twisted what the Court said to give a foundation to ridiculous and unjust rulings of various sorts. If the Supreme Court had said what some people think it said, then an amendment to the Constitution would be needed. The problem, however, is not with what the Court said but with a misunderstanding of the historic decisions delivered by the Nation's highest Court.

The various proposed amendments to the Constitution, if adopted, would have the effect of destroying the very principle of religious freedom guaranteed by the first amendment. It is ironic that the very thing which many of the proposed amendments seek is not prohibited either by the first amendment or the Supreme Court's interpretation of that amendment. It is unfortunate that the various proposed amendments would destroy the very atmosphere of religious freedom which they seek.

We do not need a new amendment to the Constitution. What we do need is an understanding of the one that we have. We suggest that those who so readily criticize the Supreme Court for its history-making decisions and others who would so readily butcher the constitutional provision of religious liberty with ill-conceived amendments would do well to read carefully the Supreme Court's decisions in the so-called Bible reading and prayer cases. We do not believe that they have understood what the Constitution says in the principle enunciated in the first amendment or the clear and correct interpretation announced by the Supreme Court in upholding the integrity of religious freedom in America.

The Supreme Court throughout our history has endured periods of popular misunderstanding and reaction against some of its historic decisions. In most of these instances time has proved that the Court's decision was right. The Supreme Court in recent years has received considerable criticism for decisions in other cases. It would be a national tragedy if Americans were now to destroy the constitutional guarantee of religious liberty simply to take a legal slap at the Supreme Court while giving expressions to certain other frustrations.

A program of required Bible reading and prayer in the public schools cannot produce anything more than an innocuous religion of religion itself. If Christianity has become so weak that it must depend upon government-required Bible reading and officially composed prayer for its existence, Christianity has then already become a dead religion of the past and no amount of Government support can resurrect it.

Benjamin Franklin said "When a religion is good * * * it will support itself and when it cannot support itself and God does not care to support it, so that professors are obliged to call for help of the civil power, it is the sign * * * of its being a bad one."

We do not believe that the kingdom of God on earth is brought about through Government sponsorship of religion. Let us keep the present constitutional provision of complete religious liberty so that every individual and group may have complete freedom to pursue and extend their religious faith. What the Constitution has provided let not man obliterate.

In the words of James Madison, said to be the father of the Bill of Rights, "It is proper to take alarm at the first experiment on our liberties. * * * Who does not see the same authority which can establish Christianity, in exclusion of all other religions, may establish, with the same ease, any particular sect of Christians, in exclusion of all other sects?"

Those who would alter the provision of the first amendment to the Constitution would tamper with the soul of America. May God and the American people forbid.

PLACE OF RELIGION IN THE PUBLIC SCHOOLS

(A policy statement of the National Council of the Churches of Christ in the United States of America)

No person is truly educated for life in the modern world who is not aware of the vital part played by religion in the shaping of our history and culture, and of its contemporary expressions. Information about religion is an essential part of many school subjects such as social studies, literature, and the arts. The contributions of religious leaders, movements, and ideas should be treated objectively and broadly in any presentation of these subjects. Public school administrators and textbook producers are to be commended for the progress made to date in including objective information about religion in various subject matter fields. Teachers should be trained to deal with the history, practices, and characteristics of the various religious groups with competence and respect for diverse religious convictions. Their greatest influence will be through the life and attitudes they reflect in the classroom. They should be free as persons to express their own convictions in answer to direct questions from pupils when appropriate to the subject matter under study.

The full treatment of some regular school subjects requires the use of the Bible as a sourcebook. In such studies—including those related to character development—the use of the Bible has a valid educational purpose. But neither true religion nor good education is dependent upon the devotional use of the Bible in the public school program.

The Supreme Court of the United States in the regents' prayer case has ruled that "in this country it is no part of the business of Government to compose official prayers for any group of the American people to recite as part of a religious program carried on by the Government." We recognize the wisdom as well as the authority of this ruling. But whether prayers may be offered at special occasions in the public schools may well be left to the judgment of the board responsible for the program of the public schools in the local community.

While both our tradition and the present temper of our Nation reflect a preponderant belief in God as our source and our destiny, nevertheless attempts to establish a "common core" of religious beliefs to be taught in public schools have usually proven unrealistic and unwise. Major faith groups have not agreed on a formulation of religious beliefs common to all. Even if they had done so, such a body of religious doctrine would tend to become a substitute for the more demanding commitments of historic faiths.

Some religious holidays have become so much a part of American culture that the public school can scarcely ignore them. Any recognition of such holidays in the public schools should contribute to better community understanding and should in no way divert the attention of pupils and the community from the celebration of these holidays in synagogues and churches.

We express the conviction that the first amendment to our Constitution in its present wording has provided the framework within which responsible citizens and our courts have been able to afford maximum protection for the religious liberty of all our citizens.

[From the Christian Century, Apr. 1, 1964]

COMMITTING RELIGIOUS SUICIDE

Several religious and political forces in the United States appear determined to destroy the Nation's constitutional guarantee of religious freedom. In State legislatures and in the U.S. Congress they have launched more than 100 attacks upon the first amendment. * * * The numerous efforts to circumvent the U.S. Supreme Court's decisions on Bible reading and prayer in the public schools are variously motivated. Some of the efforts rise from a sincere but misguided notion that the Supreme Court's rulings have jeopardized religion in the United States. * * * Whipping the Supreme Court, even when it faithfully interprets the Constitution, is a popular pastime, and a political candidate who runs on a platform that defends God expects from providence a reciprocal courtesy. The American Jewish Congress views attempts to amend the Constitution to permit prayer and Bible reading in public schools as "the most serious challenge to the integrity of the Bill of Rights in American history." The danger is even graver

than that. Frenetic attacks on the Bill of Rights imperil the very soul of the Nation and jeopardize every man's right to worship and obey God in freedom. God does not need our defense, but we need to defend ourselves against religion-intoxicated fanatics, sincere but bungling religionists and opportunistic politicians who offer us their kind of religion and their brand of god in exchange for God-given religious freedom.

MAY 14, 1964.

The Honorable EDITH GREEN,
House Office Building,
Washington, D.C.

MY DEAR MRS. GREEN: Representing the Seventh-day Adventist Church in the United States, I wish to lodge our protest against the proposed Becker amendment, and any others of similar purpose. In our opinion these amendments would breach the wall of separation between church and state, restrict religious freedom guaranteed by the first amendment to the Constitution, and be a divisive force in American society.

The Supreme Court of the United States has recently upheld the basic safeguard of religious freedom by declaring that no government authority may prescribe prayers or readings from any version of the Scriptures in public schools. Far from being an attack on religion, this decision is a protection of religion. Once our Government begins supporting any religion by either legislation or funds from the public treasury, then religion will be set against religion and the American ideal will be shattered.

We urge your support of the first amendment to the Constitution, and your opposition to the Becker amendment and others of similar purpose.

Respectfully yours,

THEODORE CARCICH,
President, North American Division, General Conference of Seventh-day Adventists.

THE UNITED PRESBYTERIAN CHURCH
IN THE UNITED STATES OF AMERICA,
April 29, 1964.

The Honorable EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR CONGRESSWOMAN: Concerning current proposals to amend the U.S. Constitution so as to permit prayer and Bible reading in public schools, we wish to call to your attention the action taken by the General Assembly (plenary body) of the United Presbyterian Church in the U.S.A. in May 1963:

"Religious observances (should) never be held in a public school or introduced into the public school as part of its program. Bible reading in connection with courses in the American heritage, world history, literature, the social sciences, and other academic subjects is completely appropriate to public school instruction. Bible reading and prayers as devotional acts tend toward indoctrination or meaningless ritual and should be omitted for both reasons. * * *"

This statement had previously been studied in committee for over a year, and was then referred to the presbyteries and churches for further study before its final adoption. Of the 131 presbyteries and 989 congregational groups reporting the results of their study, nearly two-thirds of both gave their approval. The statement was adopted in the General Assembly by a vote of 528 to 298. The general assembly is half laymen, half ministers.

We are aware of the apparently widespread popular support for proposals like the Becker amendment (H.J. Res. 693). But we have the very clear impression from the experience of our denomination that, in contrast to unconsidered and emotional reactions to the Supreme Court decisions, careful study of the issue by responsible groups usually results in decisive opposition to such devotional practices in governmental institutions.

The same general assembly also "expressed its conviction that the first amendment to the Constitution in its present wording has minimized tension and conflict among religious interests, and for 180 years has provided the framework within which responsible citizens and our courts have been able to afford maximum protection for the religious liberties of all citizens."

We hope you will oppose all efforts to make the freedom to worship and the other liberties guaranteed by the Bill of Rights, subject to majority vote.

Sincerely,

JOSEPH J. COPELAND,
Chairman, Counseling Committee, Church and Society.
MARGARET E. KUHN,
Acting Director, Office of Church and Society.

[From Ave Maria, national Roman Catholic publication, Apr. 4, 1964]

BEFORE THE SPEECHES ON A PRAYER AMENDMENT

A rule was suggested at a recent meeting of authors and editors: If you're going to use a quotation, at least avoid quoting yourself.

In our issue of December 21 we said of the problem of prayer in public schools: "* * * it seems to us that it is a panic reaction to suggest that only a constitutional amendment can solve what is certainly a serious problem for our society."

However, there is a reason for restating this position at this time. Not too long after this appears we're going to be hearing a great many statements in favor of God, prayer, the Constitution, and public schools. (Not always in that order.) On April 22 the House Judiciary Committee will begin sessions on the desirability of an amendment to the Constitution which would override the recent Supreme Court decisions on this matter.

Because some of the testimony before Congressman CELLER's committee will suggest that opposition to this amendment involves opposition to God, the Constitution, and the public schools, we wish to repeat our position before the oratory begins.

We favor prayer at all times * * * for everyone. We oppose organized prayer practices in public schools when they defy the ruling of the Supreme Court. We do not, at this time, see any convincing argument for a "prayer amendment" to the Constitution. In fact, we see very grave reasons against such a move, the most important of these reasons being (as we said in our issue of December 21): "Authority over religious education should not be conveyed by majority vote."

THE GREATER PORTLAND
COUNCIL OF CHURCHES,
May 14, 1964.

Representative EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR MRS. GREEN: In a regular meeting on May 13, the board of directors of the Greater Portland Council of Churches voted to accept the statement and recommendations presented concerning the proposed amendments to change the first amendment of the Constitution and thus overturn the Supreme Court's decision on prayer and Bible reading in the schools.

A copy of that statement as accepted is enclosed.

Sincerely,

WILLIAM B. CATE,
Executive Secretary.

GREATER PORTLAND COUNCIL OF CHURCHES, CHRISTIAN SOCIAL CONCERNS COMMISSION—STATEMENT CONCERNING BIBLE READING AND PRAYERS IN THE PUBLIC SCHOOLS WITH SPECIAL REFERENCE TO PROPOSED CONSTITUTIONAL AMENDMENTS, MAY 13, 1964

The Greater Portland Council of Churches recommends the following:

1. Stresses the importance of Christian people knowing the contents of the recent Supreme Court decisions regarding Bible reading and prayers in the public schools, and the official positions of cooperating Protestant denominations on this matter; e.g., the position of the United Presbyterian Church, United States of America, the Methodist Church, the Lutheran committee embracing three synods, and others.

2. Emphasizes that worship and Christian education, including Bible reading and prayer as devotional acts, are responsibilities of the church and home.

3. Challenges Christian pastors and people to take the lead in helping the community find ways in which the study of religion can properly be made a part of the public school curriculum in connection with courses in the American heritage, world history, literature, comparative religions, the social sciences, and related subjects.

4. Commends those school systems, officials, and teachers who have recognized the distinction between religion as worship and religion as a subject of study, and who, recognizing that "the history of man is inseparable from religion," are leading the way to the study of religion as an indispensable element in the public school curriculum.

5. Rejects all efforts to obtain constitutional amendments which would support devotional practices in the schools because such practices threaten religious freedom for all religious groups, because they are inconsistent with the purposes of public school education, and because they tend toward indoctrination or meaningless ritual.

6. Calls attention to the prevalent danger of relying upon the state to do the religious work of the churches, and the possibilities inherent in state-sponsored religious exercises of any sort, even though voluntary, of secularizing religion or even developing a religion contrary to all meaningful theism.

7. Urges Christian people to consider the church-state issues involved soberly and carefully lest hasty action based upon pious impulse or understandable fear lead to an unintentioned establishment of a lowest common denominator religion in the educational institutions of the land.

MAY 5, 1964.

Hon. EDITH GREEN,
House Office Building, Washington, D.C.

DEAR CONGRESSWOMAN GREEN: I am writing in behalf of the Union of American Hebrew Congregations to urge you as strongly as possible to reject all legislative proposals to amend the U.S. Constitution in order to overturn the Supreme Court decisions on religious practices in the public schools.

The Bill of Rights has been a shelter of liberty for all Americans. It should not be tampered with in a mood of public passion as a result of widespread disagreement with one or another Supreme Court decision. As a religious leader, I share with many clergymen of all faiths the deep conviction that the Court has rendered a service to religion by affirming religious liberty and separation of church and state.

It is said that the proposed constitutional amendment would provide for "voluntary" prayers and devotions in the public schools. The truth is that there is nothing voluntary whatever about a class of youngsters engaging in prayer or Bible reading in the public school. Such devotions do not stem spontaneously and simultaneously in the hearts

of all the students, but flow very obviously from the direction of the teacher and the school officials. The Court has reminded us that prayer must come from the heart, and not from the school board, in the free spirit of American democracy.

No doubt you have received much mail in favor of rewriting the Constitution. If the foundations of the Constitution were to bow to the wind of whatever popular passion stirs each generation, the Bill of Rights would already be a relic of history.

The Union of American Hebrew Congregations is the central association of 650 Reform synagogues throughout the United States, representing a million Americans of Jewish faith.

Thank you for your kind consideration.

Sincerely,

MAURICE N. EISENDRATH.

STATEMENT BY BISHOP LICHTENBERGER

APRIL 17, 1964.

Statements by the Right Reverend Arthur C. Lichtenberger, D.D., presiding bishop of the Episcopal Church with regard to the decision of the Supreme Court in *Abington Township* v. *Schempp* (No. 142, October term, 1962) (and concurrently *Murray* v. *Curlett*, No. 119) in which the Court ruled 8 to 1 that Bible reading and recitation of the Lord's Prayer were unconstitutional when part of a religious exercise in public schools.

Bishop Lichtenberger's first statement also refers to the Court's decision in *Engel* v. *Vitale* (No. 468, October term, 1961) in which it stated that "it is no part of the business of government to compose official prayers for any group of the American people to recite as a part of a religious program carried on by government."

June 6, 1963, before reading the Abington opinion: "Not having read the opinion of the Court, I have only one comment to make at the present time. It should be understood that the Court's action is not hostile to religion. These decisions reflect the Court's sense of responsibility to assure freedom and equality for all groups of believers and nonbelievers expressed in the first amendment to the Constitution."

June 18, 1963, after reading the Abington opinion: "The Court makes it clear that it is not the task of public schools to inculcate religious beliefs or habits of worship. This is the task of our homes and churches and synagogues. We are indeed a "religious people," but our varied beliefs are embodied in institutions which are not governmental and are not dependent on majority votes.

"It is now clear that public authorities are required to show neutrality toward all groups of believers and nonbelievers. In public schools members of religious minorities are not required to choose between participating in religious practices against their conscience and submitting to the handicap of expressing their dissent by conspicuous withdrawal. On this point the Court seems unanimous, although Justice Stewart thought there should be clear proof that dissenters are handicapped.

"We may be thankful that the Constitution does not permit the government to define and give preference to some general version of Christianity or of Judeo-Christian religion.

"The Court does not rule out objective study of religion in public schools; indeed the Court encourages such study. It forbids the State-sanctioned religious practice of corporate worship through prayer and devotional reading of the Bible. But the Court does not forbid teaching of the place of religions in our culture and history and the importance of mutual respect among religious groups. With such teaching included, public school programs cannot be charged with teaching nonreligious humanism and can introduce students to the full range of our cultural heritage."

[Editorial from the Maryland Baptist, Apr. 9, 1964]

DON'T AMEND THE AMENDMENT

The first amendment is in jeopardy.

A militant campaign by a Baltimore organization and other groups around the Nation to "amend the amendment" now threatens the first article of the Bill of Rights.

Capitol Hill is being inundated with petitions and letters favoring a "constitutional prayer amendment." This measure, springing from the highest of motives, would change the meaning of the first amendment and undermine this cornerstone of our liberties.

The action stems from a misunderstanding or misinterpretation of recent Supreme Court decisions on prayer and Bible reading in the public schools. A hysteria is sweeping the Nation, and many Baptist people are being caught up in it.

With Baptists divided on the issue, a Baptist editor cannot speak for Baptists. He must, at all times, speak to Baptists. The fears that have arisen need calm and reasonable analysis.

First, it is being said that the Supreme Court has ruled against prayer in the public schools and, by implication, throughout our national life. The Court has not outlawed prayer, except in the case of officially required or sanctioned prayer in the public schools.

The Court has not forbidden little boys and girls to pray at their desks, as detractors of the decisions have stated. The rulings are not a restraint against the people but against the state.

The tribunal has ruled against an establishment of religion; it has not restrained the free exercise thereof.

Public schools boards have been restricted from prescribing, and teachers from leading, devotional exercises in the schools because these actions constitute State sanction. The pupils themselves have not been restrained from personal, voluntary religious devotions.

Second, the Court's decision in the Maryland prayer and Bible reading case is viewed by some as a victory for atheism. While it is true that an avowed atheist was the litigant in this case, the ruling should not be construed as a triumph for atheism but as a gain for all who believe in the separation of the state and religion.

Upon this separation religious liberty depends. The first amendment guards this separation. Those who want to amend it would substitute establishment for separation.

If the state, through its public schools, can prescribe or sanction one type of religious exercise, it can prescribe or sanction another. It could even establish antireligion.

The first amendment requires the state to stay out of the arena of religion, thus guaranteeing to the people free exercise. This freedom cannot be assured any other way—to all the people, majority and minority alike.

Secularism is not established as the religion of the public schools by the first amendment as interpreted in the recent decisions. This is the fear of some. The first amendment simply makes the state neutral in matters of religion and places the responsibility for its propagation on the people acting through nongovernmental means. The recent interpretations so state, and they are correct.

Some fear that our religious heritage will decline if it is not propagated by the public schools. If there is any validity in this fear, it is appropriate to ask, of what value is a culture-type of religion that is fostered by public institutions? Religion must be personal and voluntary, or it is nothing.

Finally, the separation of the state and religion, as President Johnson has declared, "does not mean the divorce of spiritual values from secular affairs." The Supreme Court rulings in no way restrain a public schoolteacher, or any other employee of the state, from applying to his service the moral and spiritual values derived from his faith.

Baptists helped to enact the first amendment to the Constitution, and it has been a bulwark to the religious liberty that they champion. Now that it is being interpreted in an absolutist sense, will they renege in their support of it?

Baptists, of all people, should rally to the defense of this guardian of our liberties and oppose any amendment that would dilute it. Write to your Congressmen to oppose any "constitutional prayer amendment." Don't amend the first amendment.

[From the Friends Committee Newsletter, April 1964]

CONGRESS CONSIDERS PRAYER DECISION

Among the many complex issues in church-state relations the place of prayer and Bible reading in the schools has now become a topic of intense discussion. There have been 144 bills introduced in the House of Representatives and referred to the House Judiciary Committee, most of them proposing a constitutional amendment allowing voluntary prayers and Bible reading in the public schools. Hearings begin April 22.

Article I of the Bill of Rights of the U.S. Constitution provides that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." In October 1961, the Supreme Court said in *Engel* v. *Vitale* "that the constitutional prohibition against laws respecting an establishment of religion must at least mean that in this country it is no part of the business of Government to compose official prayers for any group of the American people to recite as a part of a religious program carried on by government."

In this 6-to-1 decision the Court held that a 22-word prayer, composed by the New York State Board of Regents and adopted by a local school board which ordered the school district's principal to require its daily recitation, was unconstitutional.

In *Abington Township* v. *Schempp* in October 1962, the Court ruled 8 to 1 that Bible reading and recitation of the Lord's Prayer were unconstitutional when part of a religious exercise in public schools. Just what might be permitted was not completely defined. Justice Clark said, "Nothing we have said here indicates that * * * study of the Bible or of religion, when presented objectively as part of a secular program of education, may not be * * * consistent with the 1st amendment."

Justice Clark further said: "The place of religion in our society is an exalted one, achieved through a long tradition of reliance on the home, the church, and the inviolable citadel of the individual heart and mind. We have come to recognize through bitter experience that it is not within the power of government to invade that citadel, whether its purpose or effect be to aid or oppose, to advance or to retard."

Delegates from 24 denominations at the National Study Conference on Church and State held in Columbus, Ohio, February 4–7 agreed "in broad outline" to support Supreme Court decisions which prohibit officially prescribed prayers and require devotional reading of the Bible in public schools and to recognize that such decisions underscore the primary responsibility of the family and church for religious education. The Baptist joint committee which is supported

by eight Baptist bodies opposed compulsory prayers or devotions, March 10.

PORTLAND, OREG., *April 27, 1964.*

Hon. EDITH GREEN,
Congresswoman from Oregon,
House of Representatives,
Washington, D.C.

DEAR MRS. GREEN: This letter is to protest both as a practicing lawyer and as a former President of the Temple Beth Israel in Portland, the possible passage of the Becker amendment by Congress. I think it would constitute an opening wedge for the breakdown of the first amendment and the constitutional Bill of Rights by creating the beginnings of a state religion in our country.

If a state prayer or even the reading of the Bible is to be enforced in our schools, who is going to decide what prayer will be given or what version of the Bible will be read? I have traveled in many countries with a state church where the actual attendance is exceedingly small. The power of religion in this country is that it is voluntary. To force it upon a captive group would be an abnegation of what should be done in the home and the church and a confession that the church is finding its powers of moral suasion weakening.

Yours sincerely,

GEORGE W. FRIEDE.

JUNE 3, 1964.

Hon. EDITH GREEN,
U.S. House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE GREEN: I am writing in regard to the proposed amendment to the first amendment to the Constitution.

I am very much for the Bible and prayer, but I am also for the first amendment to the Constitution, so I am against any amendment that would weaken it in any way.

The first amendment to the Constitution has ever protected the rights of the people both Christian and non-Christian, both the majority and the minority regarding religion in relation to the state; and, therefore, believe that to adopt one of the presently proposed amendments would weaken and could destroy the first amendment to the Constitution.

The Supreme Court decisions do not prohibit voluntary prayer; therefore, the proposed amendments are unnecessary.

Many religious bodies representing millions of Christians are also against the proposed amendments.

Thank you sincerely,

MRS. LARRY SMITH,
Portland, Oreg.

PORTLAND, OREG.,
June 1, 1964.

Congresswoman EDITH GREEN,
House Office Building,
Congress of the United States,
Washington, D.C.

DEAR CONGRESSWOMAN GREEN: I am writing to urge your strong opposition to the proposed Becker amendment which would permit officially sponsored prayers. My family and many other members of the church of which I am a member strongly oppose this breach of the traditional separation of church and state.

The long history of favoritism of one denomination over another in Bible reading and the divisive struggle which resulted from these practices are lessons which should not have to be repeated today.

Finally, I urge you not to sign the discharge petition to remove the amendment from committee.

Very truly yours,

RICHARD HALLLEY.

UNITED SYNAGOGUE OF AMERICA,
New York, N.Y., March 30, 1964.

The Honorable EDITH GREEN,
House of Representatives,
Washington, D.C.

DEAR MADAM: There is presently before the House Judiciary Committee a resolution introduced by Congressman FRANK J. BECKER of New York which has for its purpose the passing of an amendment to the U.S. Constitution allowing prayer and devotional Bible reading in "any governmental or public school, institution or place."

The United Synagogue of America wishes to record its unequivocal opposition to this resolution or any resolution proposing an amendment to the Bill of Rights.

The United Synagogue of America, which I have the honor of serving as president, is the congregational arm of the conservative movement in Judaism and embraces more than 700 synagogues in the United States (as well as many in Canada). Their members and adherents total about a million and a half Jewish men, women and children, representing approximately a third of the entire Jewish community of this country.

In testimony submitted to the Committee on the Judiciary of the U.S. Senate in August 1962 I said among other things the following:

"Our children today do not have that freedom of choice about going to school. The child is not free to absent himself from school because he disagrees with any part of the curriculum. To guarantee freedom of religion, therefore, the only means open to us is to abstain from introducing any religious element in the curriculum. Only thus can we secure for the child the guarantee of the first amendment that the Congress shall make no law prohibiting the free exercise of religion. By introducing prayer in the public schools there is a coercive, compulsive, or at the very least a subtly persuasive form of religion which violates the constitutional free exercise thereof.

"For that period of time that the religious prayer is recited in the school, the school becomes a house of worship. To that house of worship we would, under our system of compulsory education, be sending our children willy-nilly. On the American scene religion has always been and should always be a voluntary right in every sense of the word, not to be abrogated for any period of time, however brief.

"This concept of the captive child, it seems to us of the United Synagogue, lies at the heart of the Supreme Court's decision, as it lies at the very core of religious freedom. We feel that our children should be taught religion; the Old Testament enjoins us, 'These words, which I command thee, shall be upon thy heart; and thou shalt teach them diligently unto thy children.' But those children should be taught God's words where alone such teaching can be of value—in a free atmosphere devoid of any hint or taint of coercion, at a time and place of the parents' own choosing, in a form and manner acceptable to the family's religious convictions. Religion must be taught always to a free child, never to a captive child. In the language of the Constitution, the child must be able to pray in the free exercise of his religious rights. He must never pray where governmental authority has told him he must.

"The United Synagogue of America earnestly prays that no legislation will be enacted by the Congress which will in any way compel or threaten to compel the children of America to worship in Government agencies under the aegis of temporal authority. The religious training of American children should be permitted to flourish in church, synagogue, and home, where it belongs. Religion cannot become, however remotely, an arm of Government."

What I said then applies with equal force to the proposed constitutional amendments now under consideration.

Sincerely yours,

GEORGE MAISLEN,
President.

STATEMENT BY THE EXECUTIVE COUNCIL OF THE LUTHERAN CHURCH IN AMERICA RESPECTING THE 1962 DECISIONS OF THE SUPREME COURT OF THE UNITED STATES OF AMERICA ON THE PUBLIC SCHOOL LORD'S PRAYER AND BIBLE READING ISSUES

(Minutes of the sixth meeting of the Executive Council of the Lutheran Church in America, June 28–29, 1963)

We do not believe that much has been lost in terms of the specific points covered by the recent decisions of the U.S. Supreme Court in the school prayer and Bible reading cases. If the Lord's Prayer were to be recited in schoolrooms only for the sake of the moral and ethical atmosphere it creates, it would be worth nothing to the practicing Christian. The Lord's Prayer is the supreme act of adoration and petition or it is debased. Reading the Bible in the public schools without comment, too, has been of dubious value as either an educational or religious experience. The more we attempt as Christians or Americans to insist on common denominator religious exercise or instruction in the public schools, the greater risk we run of diluting our faith and contributing to a vague religiosity which identifies religion with patriotism and becomes a national folk religion.

At the same time, in candor, these decisions must be seen as a watershed. They open an era in which Christianity is kept separate from the state in a way that was foreign and would have been repugnant to the minds of our ancestors at the time when the Constitution was written and ever since. They signalize the fact that the United States of America, like many other nations, is past the place where underlying Christian culture and beliefs are assumed in its life.

This event intensifies the task of the church. It heightens the need of the church for strength to stand alone, lofty and unshaken, in American society. It calls for greater depth of conviction in all Christian men and women.

LEBANON, OREG.,
March 19, 1964.

Representative EDITH GREEN,
House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE GREEN: I oppose the amendment to the Constitution which would permit prayer and Bible reading in the public schools. These acts are inconsistent with the existence of a pluralistic society. The place for religion is in those institutions erected for that purpose.

The schools should integrate a community, not divide it. With prayer and Bible reading in the school, all kinds of disharmony arises. The biggest conflict is between the theists and nontheists. However, lesser discord arises between sects oriented along different lines.

When the school enters the realm of religion, there are always opportunities for some authority figure to push in his own limited view on young people and make them more confused than they already are. In our society, no group has the right to have his Bible or his prayers given the governmental seal of approval. Yet, how can this be avoided if they are presented in the public schools? Somewhere, some man must decide what Bible to use, what prayer the students are to receive.

We must say either that these prayers, etc. are unimportant and really do not influence people (and, therefore, are unnecessary), or we must recognize that they may well have

an effect (and, therefore, are unfair because they give the advantage to the group with the floor).

If Congress is intimidated into starting this ill-considered bill on its way, then the country is in for a very black future.

Sincerely,

ARTHUR M. JACKSON.

AMERICAN JEWISH CONGRESS,
New York, N.Y., April 1, 1964.

HON. EDITH GREEN,
House of Representatives,
Washington, D.C.

MY DEAR CONGRESSWOMAN GREEN: In my capacity both as president of the American Jewish Congress and as a clergyman, I am writing to urge you to oppose the Becker amendment and all other proposals for prayer recitation and devotional Bible reading in the public schools. In this I associate myself with such eminent religious leaders as Presiding Bishop Lichtenberger of the Protestant Episcopal Church; Dr. Franklin Clark Fry, president of the Lutheran Church in America and of the World Federation of Lutheran Churches; Dr. Eugene Carson Blake, stated clerk of the United Presbyterian Church; Methodist Bishop John Wesley Lord of Washington, D.C.; C. Emanuel Carlson, executive director of the Baptist Joint Committee on Public Affairs; Father Robert F. Drinan, S.J., and many others.

As spiritual leaders, our opposition to these proposals is based on a deep commitment to religious values. We believe that the spiritual communion with God which is the purpose of prayer and Bible reading cannot be achieved by their mechanical repetition in an atmosphere devoid of the religious spirit which only the home, the church, and the synagogue can supply. Because such cheapening of prayer and of the Bible is not helpful to religion but hurtful to it and because the various proposals to amend the Constitution would make such cheapening inevitable, we oppose them and strongly urge you to do the same.

Sincerely yours,

Rabbi JOACHIM PRINZ,
President.

THE VERSATILE COL. JACK REILLY

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LIBONATI. Mr. Speaker, Col. Jack Reilly is the most versatile Chicagoan who ever directed the social, historical, religious, athletic, and political programs of the city of Chicago in its history.

Mayor Richard Daley needed some outstanding public relations genius to reflect the true picture of Chicago's image to the Nation, and to the world—so his honor appointed Colonel Reilly—the mayor's director of special events.

Colonel Reilly is a respecter of persons and never misses making friends. His resourcefulness in tight-spot problems and his alert mind function in every emergency. He has won for himself nationwide recognition as a great administrator of public events. The colonel is a typical Chicagoan in his deep feeling for his city—he has done a wonderful job of advancing the cause of Chicago's real image to those at home and abroad.

Colonel Reilly is cool and calculating of mind in his work, yet is very considerate of the problems of those associated with him in his tasks. Even to the very hour of the event, he finds time to straighten out matters for the individual citizen in attendance. His kindness of heart and sincere interest in what is going on around him make him the master ringmaster that he is.

Mayor Daley gives Colonel Reilly full control, and in glowing terms has never failed to publicly acknowledge the indebtedness that the citizens of Chicago owe to him for the great heritage belonging to our city that he has brought to the attention of the Nation and the world.

Colonel Reilly is a doer and does it with no fanfare—he is not an exhibitionist, but glories quietly within himself upon the success of each event—for only a great city with a fine citizenry can secure that degree of greatness enjoyed in the successes or the mammoth undertakings and events that have been his task to implement and promote. The citizens of Chicago are proud of Colonel Reilly and compliment the great mayor of Chicago, Richard Daley, on his appointment to a most important post in our city government.

The distinguished feature writer, James Harper, of the Chicago Tribune staff, last Sunday, June 14, has written a most complimentary article concerning the accomplishments and qualifications of our popular friend, Colonel Reilly, for which we thank him. The article appears herewith:

COLONEL REILLY HAS THE JOB OF ORGANIZING SITUATIONS; SERVES CHICAGO AS OFFICIAL RINGMASTER

(By James Harper)

The official title is "Mayor's Director of Special Events," but a more accurate description would be "Supervisor of Details in Situations No One Ever Thought Would Come Up."

And a collateral title might be "Organizer of Situations that Wouldn't Otherwise Happen."

But however he is described, Col. Jack Reilly is Chicago's official ringmaster and tub thumper.

His office in a corner of the space provided the corporation counsel in city hall is a working office. There are no draperies; books, papers, leaflets, and letters strewn about; and the chairs there are meant for sitting. The only wall adornment is the calendar Reilly lives by.

KEEPS HAND ON PHONE

With his one good eye on the calendar, and a hand on the telephone, he talks about his job.

"Special events," he explained, "cover just about everything for which there has been no prior provision. The job is just about as flexible as it can be. One function is to help supervise the visits of foreigners. Another is to help stage events which will help Chicagoans or improve our image."

Reilly's most recent program has been arranging for the visit of the Israel Prime Minister. Before that he toured Europe with Mayor Daley's group. Other escapades have included the reception of Queen Elizabeth, preparation for Operation Inland Seas, and arranging for the Pan American games, all in the summer of 1959.

REILLY GETS THE CALL

And there are daily details which come under no specific heading, but must be handled by the city. The odds are, when everyone else in city hall is stumped, Colonel Reilly gets the call.

Though there were earlier Chicago promoters, Reilly is the first to hold the special title. He has been in the office since the beginning of the Daley administration.

The 9 intervening years have seen many changes in Chicago. "For so long, the city prided itself on its isolationism," he said. "This situation has changed, and we've been trying to help. The city's image has changed.

"Lately there has been a steady stream of world leaders through here. Years ago, none of these people came to Chicago because Chicago showed no interest in having them. Now that has changed, we are happy for them to come, and the city rates high with the State Department as a host for foreigners." Reilly is protocol chief for receiving the foreigners.

REPRESENTS DAILY AT CONSULATES

Annual special events supervised by Colonel Reilly include the city championship football game, the Venetian Night Water Parade, and the November Folk Fair at Navy pier. He is also the mayor's regular representative at functions of the 52 consuls in the city.

A native of Ossining, N.Y., Reilly joined the Army there in 1917, and never returned. "After the war," he said, "I had obtained the use of reason, and decided to leave New York and come West." Except for brief periods, he has since lived in Chicago.

Involved in public relations since 1923, he was director of special events for the Century of Progress Exposition in 1934, the New York World's Fair in 1939, and the Chicago Railroad Fair in 1948.

MILITARY GOVERNOR IN GERMANY

In the Army again in World War II ["I pride myself in being in the infantry in both wars,"] Reilly attained the rank of lieutenant colonel. After the war he was military governor of Mannheim, Germany.

Of the mayor's recent European tour, he said: "He turned in a most magnificent piece of missionary work for Chicago. It was one of the best things that could have happened for the city." High spot of the trip was, naturally, the visit to Ireland. "Any person with a drop of Irish blood in him thinks of himself as Irish," he said. "It was good to be home."

Married, Reilly lives at 6230 Kenmore Avenue. A son is an Army career officer.

Reilly must keep his weak left eye shielded from light. Other than that, at 64, he is the picture of health. What is good for Chicago is obviously good for Jack Reilly, and he is working hard to keep both healthy.

A MANDATE TO INVESTIGATE

The SPEAKER pro tempore. Under previous order of the House the gentleman from Kansas [Mr. DOLE] is recognized for 1 hour.

Mr. DOLE. Mr. Speaker, we have all followed with interest the efforts of some in the Senate to have the so-called Bobby Baker probe continued until all of the facts are before the American people.

The Senator from New Jersey [Mr. CASE] sought unsuccessfully recently to have the investigation cover Baker's alleged dealings with Senators. For, indeed, there are many rumors concerning the role which Baker played in the

distribution of campaign funds, many of them in cash.

The questions which the Senator from New Jersey suggested should be asked each Member of the Senate were:

1. Did you ever have any business or financial dealings with Bobby Baker, directly or indirectly? If so, what are they?
2. Did Bobby Baker ever give you, get for you, offer you, or offer to get for you: any campaign contributions; any help in making up campaign deficits by gifts, purchase tickets or otherwise; any retainer or employment; any preference in committee assignment or otherwise; anything of value?

These are certainly proper questions to ask. They are proper questions for every Senator to answer, and yet we find that the probe of Baker's highflying and farflung financial activities when he was an employee of the Senate is being closed.

The American public has a right to suspect that a broad white brush is being used in this investigation following the pattern of the Billy Sol Estes whitewash. Matters relating solely to the Senate are for that body to consider, for it is the reputation of the Senate which is at stake.

There is another matter, closer and more important, about which I wish to speak today. This concerns the reputation of the House of Representatives. As a result of the Baker probe in the Senate, we belatedly learn that a former House employee has received large cash gifts from at least two sources, and there are rumors that other cash was involved from yet other sources.

I refer to William Norman McLeod, former Chief Clerk of the House District Committee, who served in that position for many years until his service was terminated December 31, 1962.

In the Baker hearings there was the insinuation clearly made that cash was paid to McLeod and as a result of this cash payment certain legislation passed the House of Representatives.

This is a very serious matter and one which reflects upon the integrity of the House of Representatives as an institution and upon each Member of this House. It is a matter which I believe deserves the fullest possible discussion and complete investigation by the appropriate committee of the House.

I believe the appropriate committee to investigate this matter is the House Administration Committee, inasmuch as it is charged with matters of this sort and is the House counterpart to the Senate Rules and Administration Committee in such matters.

It was determined during the Baker hearings that Mr. McLeod received $1,000 from a local police association. The association says that this payment was for services McLeod performed. The question which most obviously follows is: Was McLeod able to serve this association and the people of the District of Columbia as well as the Nation's taxpayers simultaneously?

Perhaps it is of interest that Mr. McLeod was hired in 1963 to represent the pawnbrokers in the District of Columbia. In view of McLeod's longtime association with the District Committee, the question that naturally arose in some people's mind is whether there was any action taken by McLeod during his tenure as an employee of this House which resulted in this business arrangement after his employment was terminated.

On good authority, I understand that for some years Mr. McLeod met weekly for lunch in a private dining room with leading liquor distributors in the District of Columbia. I believe that the House must satisfy itself as to whether this was merely a social occasion or whether this was more involved in view of the regularity with which liquor legislation came before the District Committee.

Indeed, what, if any, was Mr. McLeod's role in the disposition of liquor price control bills which came before the committee? Did he have an interest which he represented, either distributors, retailers, or bar owners? If he had an interest, then how could he serve the people of the District of Columbia and the Nation's taxpayers to whom he owed his first allegiance?

It is my understanding that Mr. McLeod has said that a South Carolina company paid him a retainer each quarter from some period of time during the time he was Chief Clerk of the House District Committee. This amount has been estimated to be $900 to $1,500 a quarter. What services did this employee of the House of Representatives perform in order to warrant the payment of such a large sum over a continuing period of time?

It has been reported in the past, on more than one occasion, that McLeod once received a color TV set as a gift from a well-known Washington gambler. What possible reason would an employee of this House have to accept such a gift from a person of this type?

Mr. Speaker, these are but a few of the facts and reports which have come to my attention concerning this person who by his high position as a responsible official of the House of Representatives has brought questions to the minds of many as to the activities and actions of House employees.

If the Senate has found it necessary to investigate the conduct of its employees with an eye toward drawing up a code of ethics or rules of conduct, then I suggest, with all due respect, that it is time that the House of Representatives consider such aspects in regard to its employees. The involvement of a House employee in the Bobby Baker case has been a source of concern to many Members of this body. The tie-in to the bids and bonds of the District of Columbia Stadium has also been of concern to many of this body. The payments by insurance man, Don Reynolds, to Mr. McLeod is a matter of concern along with the payment from the police association. I feel, as do many many others, that an investigation should be commenced immediately for the benefit of Members, their staffs, committee staffs, and above all the public.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from Illinois.

Mr. ANDERSON. Mr. Speaker, I am pleased to join with my colleague from Kansas [Mr. DOLE] in calling attention to the need for the House of Representatives to clean its own skirts.

Many of us have been concerned as the months have passed since the revelations concerning former House District Committee Chief Clerk McLeod were made in the Baker hearings and nothing has been done about them on this side of the Capitol. I have been concerned because I believe that the Congress suffers enough abuse from various sources without sitting still in the face of charges and innuendoes such as those contained in the record of the Baker hearings.

I have with me a copy of those hearings, and you will find, I think, a very significant statement on page 591, a statement by the junior Senator from Rhode Island [Mr. PELL], when he said this:

I realize also that the conduct of an employee of the House is not in the terms of reference of our inquiry. So it is not for us to make any judgment on your action—

Referring to Mr. McLeod—

in accepting that gift.

I think this makes it clear, that if this is not within the terms of reference of the Senate inquiry, it then becomes incumbent upon the House to take responsibility in this matter. That we have done by the resolutions which were dropped in the hopper of this body last week.

There is ample time yet in this session of Congress for a complete investigation into these matters which are being brought to the attention of the House again today by our colleague from Kansas and other Members. There are so many rumors in this city, repeated time after time through the weeks, concerning the construction of the District of Columbia Stadium and the Rayburn Office Building that the House of Representatives should take notice of them and take steps to put them to an end if there is no truth to them.

Other rumors concern such matters as legislation before the House of Representatives, especially that emanating from the House District Committee. The matter of regulation of loan companies is something which has been the subject of much speculation. It is interesting to me that former Chief Clerk McLeod now reportedly offices with the Household Finance Corp., here in Washington and is registered as a lobbyist for that company. One of the officials of that company with whom McLeod, when he was with the House District Committee, had frequent conversations, according to my information, was Mr. Nathaniel W. Barber, Eastern Public Relations Director for HFC. It is of interest to me and I am sure to the public that Mr. Barber is under indictment as a result of a Massachusetts special grand jury investigating graft and corruption in the Massachusetts State government and especially the offering and paying of bribes. I think the public is entitled to know what McLeod's connection was with the company during his tenure as a House employee. At the conclusion of my remarks, I will include in the RECORD an article concerning the investigation

in Massachusetts and the indictment which accuses Mr. Barber.

In conclusion, may I say again that I think sincerely, not only as a former prosecuting attorney in the State of Illinois but as a Member of this body, which I respect and revere, that the evidence already presented to the Senate Rules Committee and the other matters of which many of us have knowledge are certainly sufficient to warrant a complete investigation by the appropriate agency of this House of Representatives. I urge and invite all Members of this body to join those of us who have called for this investigation by introducing similar resolutions or otherwise indicating their support for this effort to clean up the mist of uncertainty surrounding the activities of House employees.

Mr. Speaker, this is not a partisan matter. We welcome, indeed, we enlist the wholehearted cooperation and support of Members on both sides of the aisle to the end that we may, I would hope, repair any damage that has been done to the reputation of the House of Representatives because of some of the charges that have been made and some of the rumors that have been filtering and circulating through this city in recent weeks.

Mr. Speaker, I now ask unanimous consent to include in the RECORD at this point the article to which I referred earlier, appearing in the Washington Post of May 9, 1964.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The article referred to is as follows:

BAY STATE GRAFT QUIZ INDICTS THREE AREA MEN

Three Washington area officials of small loan firms are among the businessmen and politicians indicted yesterday by a Massachusetts special grand jury on a series of charges connected with a drive to sweep graft and corruption out of the State government.

With 2½ months of investigation and testimony under its belt, the grand jury indicted Massachusetts House Speaker John F. Thompson, a Democrat, and former Speaker Charles Gibbons, a Republican, on charges of bribery.

Two dozen other businessmen and politicians were named in the indictment that swept the State government from top to bottom.

The three from this area are Calvert I. Bean and Wilbur A. Bean, of State Loan Finance Management Corp., of Washington, and Nathaniel W. Barber, eastern public relations director for Household Finance Corp., of Chicago.

Calvert Bean is senior vice president of the company; Wilbur Bean is a member of the board.

Wilbur Bean and Barber were specifically charged with offering and paying bribes, while Calvert Bean was charged with conspiracy to pay bribes and to obstruct administration of law.

State Loan & Finance Management, a subsidiary of State Loan and Finance Corp., was also indicted for offering and paying bribes.

Neither Bean was available for comment. President David A. Penney, of State Loan and Finance Corp., said he had "no information" about the indictments. "I haven't seen it, and have no comemnt," he added. Nor did he know where either Bean could be reached.

Barber, who lives at 15309 Rosecroft Road, Manor Country Club, said, "I haven't heard a word about it, and there's no truth to the charge." Both firms have loan offices in Massachusetts.

Details of the alleged bribery were not disclosed, nor did the grand jury say whether the charges against those named were related in any way.

But Attorney General Edward W. Brooke, who presented the evidence to the special grand jury, said most indictments, including those against Thompson and Gibbons, involved suppression of legislation. Brooke indicated that the legislation in question would have affected agencies which make small loans.

Besides the three men and State Loan and Finance Management, a host of other loan officials throughout the country were named, as well as Seaboard Finance Co., Los Angeles, Liberty Loan Co., St. Louis, Household Finance Corp., Chicago, Family Finance Corp., Indianapolis, and Family Finance Corp., of Wilmington, and Beneficial Management Corp., Morristown, N.J.

All the loan companies named were charged with offering and paying bribes.

Massachusetts officials named include Martin J. Hanley, suspended supervisor of the Small Loan Agency and Deputy Commissioner of Banking, who was charged with requesting and accepting bribes, and conspiracy; and Morris Garfinkle, former member of the Small Loans Regulatory Board, now member of the Boston Arena Commission, charged with requesting and accepting bribes.

Mr. DOLE. I thank the gentleman from Illinois.

Mr. Speaker, I yield to the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Speaker, I too am glad to join with the gentleman with regard to this investigation that has been called for. I would think that after some 31 Members introduced resolutions last week that action by the appropriate House committee would automatically follow. I do not know of many instances where there have been such a large number of resolutions introduced by Members of the House showing such grave concern about questions raised by previously existing and exposed facts—questions that to date remain unanswered and being unanswered cast a cloud over the basic integrity of the Congress of the United States. I, too, have seen week after week here, particularly in recent months where criticism of the House of Representatives and the legislative branch of government in particular, has taken place. I have been concerned about it. I think it is to a large extent unjustified. But so far as this particular case is concerned, there is certainly enough smoke to justify the belief of many people that there may be some fire there too. I think a thorough investigation is justified. The interest shown by this many Members of the House should cause the leadership of the House and the Congress itself on the House side to do something about it.

I want to join in the remarks that are being made by the gentleman. I, too, have waited since February when McLeod appeared before the Senate Rules Committee and he acknowledged receipt of $1,000 from the Metropolitan Police Relief Association for the House to take cognizance of this huge gift and to inquire just what the reason behind it was—why was this amount given to Mr. McLeod from the Metropolitan Police Relief Association.

I want to include in the RECORD, and I ask unanimous consent to do so, Mr. Speaker, a copy of a story from the Washington Star of February 19 of this year concerning the $1,000 gift which McLeod received some 7 months after he quit as clerk of the House District Committee. I think it will make interesting reading for everyone who is concerned about these matters.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CRAMER. I also want to call attention to the $1,500 that John B. Reynolds, Silver Spring insurance agent told the committee last month, and this article is dated February 19, for his help—that is Mr. McLeod's help—$1,500 in obtaining passage of the bill authorizing the District of Columbia Stadium. I am reading from the Washington Star of February 19, 1964, article:

The committee in its investigation of Robert G. Baker secured copies of letters in which Mr. McLeod billed Mr. Reynolds "for legal services."

However, Mr. Reynolds insisted that Mr. McLeod never provided any legal services for him.

Today (February 19) Mr. McLeod said that the $1,500 was a "gift" rather than compensation for legal work.

"I billed him for legal services at his request. His bookkeeper or somebody wanted it billed as a legal service," he said.

Mr. Speaker, the article I have referred to is as follows:

[From the Washington (D.C.) Star, Feb. 19, 1964]

POLICE ASSOCIATION PAID MCLEOD $1,000 FOR HELP—GIFT CAME 7 MONTHS AFTER HE QUIT AS CLERK OF HOUSE DISTRICT OF COLUMBIA COMMITTEE

(By John Barron)

The Metropolitan Police Relief Association paid William N. McLeod, Jr., $1,000 in appreciation of services he performed while clerk of the House District Committee.

Directors of the association unanimously voted to give Mr. McLeod the money last June, about 7 months after he quit the committee.

The police were grateful for all Mr. McLeod did for them while he was a congressional employee, according to Lt. Garland Waters, secretary-treasurer of the association.

Appearing in closed session before the Senate Rules Committee Monday, Mr. McLeod acknowledged receipt of the $1,000.

He told a reporter today that last summer he was invited to a meeting of the association and that to his surprise the group gave him a check and a letter of appreciation.

ASSOCIATION GOT CHARTER

He recalled that the letter said the directors desired to "make some recognition of services and courtesies over the many years."

The $1,000 was given to Mr. McLeod shortly after Congress granted the association a charter through a law which also exempted it from taxes and insurance regulations.

"The Superintendent of Insurance had indicated that this organization and several others were operating contrary to the insurance laws and we had quite a struggle to survive," Lieutenant Waters said yesterday.

"Over a span of 10 or 12 years, we sought to get legislation through giving us a charter. McLeod was always ready to hear us, to suggest people we might talk to, to give us a helping hand and to help our attorney."

DUES PROVIDE BENEFITS

The association provides death benefits to members from a fund maintained by collection of monthly dues.

Asked if it customarily rewards its friends with cash gifts, Lieutenant Waters said:

"No, no, it's not a habit by any means. I don't recall any others."

The police payment was the second one to Mr. McLeod disclosed in recent weeks.

Don B. Reynolds, Silver Spring insurance agent, last month told the Rules Committee that he paid Mr. McLeod $1,500 for his help in obtaining passage of the bill authorizing the District of Columbia Stadium.

The committee in its investigation of Robert G. Baker secured copies of letters in which Mr. McLeod billed Mr. Reynolds "for legal services."

However, Mr. Reynolds insisted that Mr. McLeod never provided any legal services for him.

Today, Mr. McLeod said that the $1,500 was a "gift" rather than compensation for legal work.

"I billed him for legal services at his request. His bookkeeper or somebody wanted it billed as a legal service," he said.

CITES MANY SERVICES

Asked why Mr. Reynolds would present him with a $1,500 gift, Mr. McLeod answered:

"I've done a million things for him over the years. I've known him 23 years * * * I get him airplane reservations, inaugural ball tickets, get him on the Congressional Special going to the Army-Navy game and that sort of thing."

He also noted that people in Congress recive a lot of gifts, "like at Christmas, fruitcakes."

During an informal briefing of reporters yesterday, Rules Committee Counsel L. P. McLendon referred to some of Mr. McLeod's unreleased testimony as "amazing."

But he did not specify which portions he considered so surprising.

Then in reviewing this case, the counsel for the Senate committee said during an informal briefing with reporters yesterday—meaning Friday 18:

The Rules Committee counsel, L. P. McLendon, referred to some of Mr. McLeod's unreleased testimony as "amazing."

Now is it any wonder that there should be a cloud cast over the activities of Mr. McLeod as brought out by the committee and the unreleased testimony that should be made public and the public is entitled to know all the facts? That is what those introducing the resolution call for and I join in that effort.

Mr. DOLE. I thank the gentleman from Florida.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Speaker, I commend my colleagues for taking this special order to discuss this important matter. There is a good deal of unrest in the country about the matter of congressional reform and although the Baker case is the most publicized, there are many other facets.

For example, I recently wrote an article on the matter of badly needed staffing reform, parts of which were widely publicized; indeed, the impact of the article was felt in a recent primary election.

It seems to me this House must have the fortitude and courage, as shown by my colleagues today, in calling for a thorough investigation of certain congressional activities, if we are to practice what we preach in the cause of good government, which of course is based upon responsible legislation responsive to the needs of all the people and not to special interests which bid for our attention.

It is for this reason I wish to associate myself with the remarks of the gentleman from Kansas [Mr. DOLE], the gentleman from Illinois [Mr. ANDERSON], and the gentleman from Florida [Mr. CRAMER], and others who will speak later. I commend them for their efforts and trust that from this there will evolve the thorough investigation they request, which is so manifestly and badly needed.

Mr. DOLE. I thank the gentleman from New Hampshire.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. I join with my other colleagues in commending the gentleman from Kansas for bringing this subject to the floor of the House. I have spoken on some angles of it previously, as the gentleman knows.

I find the interrogation of Mr. William McLeod by the investigating committee of the other body quite interesting. For instance, the chief counsel for the investigating committee of the other body asked these questions, and answers were given in this fashion:

Mr. MCLENDON. I asked you about the meeting.

Mr. MCLEOD. Yes, I did attend a meeting in Baker's office.

Mr. MCLENDON. Who was present?

Mr. MCLEOD. Mr. Matt McCloskey was there, who was treasurer of the Democratic National Committee, one of his vice presidents was there from Philadelphia—I do not remember his name—I never saw either one of them before; Don Reynolds was there, Congressman JOHN MCMILLAN, and myself, and Baker.

Mr. MCLENDON. Who called the meeting, if it was called?

Mr. MCLEOD. Baker called the meeting.

Mr. MCLENDON. Did he phone you and invite you to the meeting?

Mr. MCLEOD. Yes, sir.

And so it goes, through the hearing.

It is strange that the committee did not go into a thorough investigation of the full nature of the meeting or the part that McLeod played in it, because McLeod, as I understand it, was a member of the Advisory Board for the stadium and at this meeting, as a member of the Advisory Board, he was helping decide who was going to get the performance bond on the stadium. Of course, from that flowed the "kickback" or rebate to McLeod, and all the time he was on the payroll of the Federal Government as an employee of the House of Representatives.

I also found interesting the question-and-answer testimony with respect to what happened to the stadium bill in the House. The bill providing for Federal participation in the stadium, to which I had long been opposed, was approved by the House and sent to the Senate. The other body amended it and sent it back to the House. This was at a time near the end of that particular session of Congress. A request was then made that the bill be taken to conference. I objected to that. Then, at some time when apparently I had my back turned and was not as alert as I ought to have been, someone asked that the bill be returned to the other body. So, despite the fact that the other body had found it necessary to amend the bill and send it to the House, the request was made—I will not say surreptitiously, but certainly it was never called to my attention—that the bill and the papers be returned to the other body.

Thereupon Senate concurred in the House bill and it became law without amendment. I do not know what part McLeod played in this shenanigan that was practiced as between the two bodies.

Again I commend the gentleman for calling this matter to the attention of the House, and assure him of my full support for a thorough investigation of all phases of the McLeod-Baker operation.

Mr. DOLE. Mr. Speaker, I thank the gentleman from Iowa not only for his expression of interest today but for his continuing interest in this matter and the fact that he introduced a resolution last Thursday calling for an investigation. The fact many of us have waited since February for the House to do something on its own. Nothing has been done; hence we felt it necessary this important matter be called to Member's attention in this fashion.

Mr. FINDLEY. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I am happy to yield to the gentleman from Illinois [Mr. FINDLEY].

Mr. FINDLEY. Mr. Speaker, I thank the gentleman. It is hard to know and, in fact, it is impossible to know just how widespread affairs like the Bobby Baker scandal may be here on Capitol Hill. We cannot possibly know until we have a hearing which will actually bring the facts to light. Some say that this is strictly a partisan political move on the part of those who sponsor these resolutions. I will have to admit that as of today it does have somewhat of a partisan character to it, because as of today, to the best of my understanding, only Republicans are pushing for the answers to these questions. It is true that the political affiliation of Bobby Baker is pretty well known. The one way that the Members on the other side of the aisle can eliminate the partisan character of this is to join in and cooperate in a hearing. Who knows where it will lead? It may lead into Republican offices and desks, too. If so, let the chips fall where they may.

Mr. DOLE. Mr. Speaker, I thank the gentleman from Illinois for his statement.

Mr. MCLOSKEY. Mr. Speaker, will the gentleman yield?

Mr. DOLE. I am happy to yield to the gentleman from Illinois [Mr. MCLOSKEY].

Mr. MCLOSKEY. Mr. Speaker, I wish to associate myself with the gentleman in the well, the gentleman from Kansas, Congressman DOLE, and the other Members of this body who have introduced similar resolutions with respect to this problem. I think it unfortunate that over the past number of months there

has been so much written in the press, there has been so much on radio and television condemning and criticizing this great deliberative body. I like my good friend the gentleman from Illinois, Congressman ANDERSON, am very proud and happy to belong to this great House of Representatives. Most certainly I should like to see each and every one of us do everything that we can to bring about an uplift in the position and stature of this body so that in the eyes of the public we will once again be recognized for the great body that we are.

Much has been said about Mr. McLeod, a former employee of this House, and if all of these allegations and all of these rumors have any foundation at all, then I think it behooves us as Members, irrespective of party, to do all we can to dig into the bottom of this and find out just what does go on.

I have another little reason for being vitally interested in this. Ever since it has been my privilege to serve in this body at times this has become quite embarrassing because I seem to be mistaken for another McCloskey, one who apparently throughout the years has been blessed with the receiving of a number of lucrative construction contracts here in the District, the latest of which, of course, is the New House Office Building. There has been much criticism of this building. There have been a number of rumors as to kickbacks on performance bonds.

Once again I would like to make it publicly clear that I am not this McCloskey. I hate to have the good name of McLoskey sullied in any manner. For that reason, if for no other, I am happy to join with the other Members of this body in doing all that we can to find out just if anything that might be wrong is wrong and do our part to clean it up.

Mr. DOLE. I certainly thank the gentleman from Illinois, Mr. ROBERT MCLOSKEY.

Mr. Speaker, I yield back the balance of my time.

THE COMPTROLLER GENERAL OF THE UNITED STATES FINDS THAT INADEQUATE RELOCATION ASSISTANCE WAS PROVIDED FAMILIES DISPLACED FROM URBAN RENEWAL PROJECTS IN KANSAS AND MISSOURI

Mr. CRAMER. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. WIDNALL. Mr. Speaker, I wish to call attention at this time to the June 1964 report to the Congress by the Comptroller General of the United States regarding the inadequate relocation assistance to families displaced from certain urban renewal projects in Kansas and Missouri administered by the Fort Worth regional office of the Housing and Home Finance Agency.

The findings by the Comptroller General prove the contentions I have been making regarding relocation problems and practices encountered under the Federal urban renewal program.

The GAO report makes the following points:

First, that displaced families have been relocated into substandard housing at times with the assistance of local public agencies which have, in turn, filed erroneous reports. The GAO report states on page 4 that:

> A significant number of families who were displaced from slum clearance and urban renewal projects in St. Louis, Mo., and Kansas City, Kans., and who were taken into the LPA's workloads, relocated into substandard housing. In many instances, the families who relocated into substandard housing were actually relocated into substandard housing by the LPA's, were offered only other substandard housing by the LPAs, or were not offered relocation assistance by the LPAs. Many of the families who were relocated into substandard housing were reported by the LPAs as having been relocated into standard housing. We believe that there were inadequate review and supervision of the LPAs' relocation activities by the Fort Worth HHFA regional office.

Second, that relocation assistance is not provided soon enough to be of any aid to displaced families leaving the project area before the loan and grant contract is signed.

Third, that there is insufficient reliable information of relocation needs and results, which contribute to the shifting of slums, contrary to the intent of the Congress. The GAO report on pages 8 and 9 states that:

> Our review disclosed that more than 3,300 of the nearly 7,000 families that the LPA's estimated were living in the Mill Creek Valley and Kosciusko projects in St. Louis, Mo.; the Douglas School project in Columbia, Mo.; and the Gateway project in Kansas City, Kans., were omitted from the LPA's relocation workloads and that they were thus never afforded relocation assistance. Some of the families may not have accepted LPA assistance, and some of the movement from the area may have been normal turnover. The whereabouts of most of the 3,300 families is unknown, and their absence was not shown on the LPA's relocation progress reports. Probably a significant number of these families moved into substandard housing, as did a significant number of self-relocated families whose housing conditions were a matter of record.

The GAO report goes on to state:

> We believe that the URA regulations are inadequate in that they do not require the LPA's to advise families residing in areas selected for urban renewal projects of the relocation assistance that will become available to them until after the execution of a loan and grant contract. We believe also that URA should have required the LPA's to obtain more reliable information regarding relocation requirements and resources prior to the execution of a loan and grant contract. If reliable information on housing needs and resources is not obtained prior to the effective date of the contract for a loan and grant, significant relocation problems, such as a lack of available standard housing, may not be recognized in time to meet the needs of all the displaced families. Generally, by the time a contract has been executed, the residents of the area selected for the project have been aware for many months that they probably will be required to relocate. Consequently, many of these families, in anticipation of acquisition of the property by the LPA, move into other housing without having been advised of the relocation assistance that would ultimately become available to them. Of the self-relocated families whose housing conditions were a matter of record at the St. Louis, Mo., and Kansas City, Kans., LPA's, a significant number relocated into substandard housing. The relocation of a significant number of displaced families into substandard housing—the shifting of slums—negates much of the benefit of the project and is contrary to the clearly expressed intent of the Congress that the problems of slums and blight be attacked on a communitywide basis.

In each case the findings by the Comptroller General confirm statements I have made regarding relocation deficiencies. Rather than rely on the same administrative personnel who contributed to these relocation deficiencies in the first place I have offered specific amendments to the basic law itself. These suggestions are contained in my housing bill, H.R. 9331.

I have suggested, for instance, the physical verification of relocation housing facilities immediately prior to the start of condemnation proceedings and relocation of evictees. This follows the specific recommendation of the Connecticut Advisory Committee to the U.S. Civil Rights Commission contained in the July 1963 report. In addition, I have suggested the provision of relocation assistance at the earliest time possible in the history of a project, including relocation assistance to small businessmen. I might point out, too, that while the Federal Urban Renewal Administration has attempted by administrative regulation to correct certain deficiencies these efforts did not take place until August 1963. When the Federal Urban Renewal Commissioner, therefore, cites figures to show the success of efforts to relocate displaced families into standard housing he is using figures which are both inaccurate and incomplete. What is more to the point, he knows it.

The text of the report by the Comptroller General of the United States follows:

> COMPTROLLER GENERAL
> OF THE UNITED STATES,
> *Washington, D.C., June 12, 1964.*
>
> *To the Speaker of the House of Representatives and the President pro tempore of the Senate:*
>
> In our view of the relocation of families displaced from selected urban renewal projects administered by the Fort Worth regional office, Housing and Home Finance Agency, we noted that a significant number of the families displaced from urban renewal projects in St. Louis, Mo., and Kansas City, Kans., were relocated into substandard housing and that a substantial number of the families displaced in these cities and in Columbia, Mo., were not afforded relocation assistance. We believe that the regional office's supervision and review of relocation activities of local public agencies were not adequate to fulfill the intent of title I of the Housing Act of 1949, as amended, that displaced families be afforded an opportunity to relocate into decent, safe and sanitary housing.
>
> The Commissioner, Urban Renewal Administration, has informed us that he has taken certain actions and that he plans to take other actions which we believe will, if properly implemented, significantly improve the

agency's administration of relocation activities.

Copies of this report are being sent to the President of the United States; the Administrator, Housing and Home Finance Agency; and the Commissioner, Urban Renewal Administration.

JOSEPH CAMPBELL,
Comptroller General of the United States.

REPORT ON INADEQUATE RELOCATION ASSISTANCE TO FAMILIES DISPLACED FROM CERTAIN URBAN RENEWAL PROJECTS IN KANSAS AND MISSOURI, ADMINISTERED BY FORT WORTH REGIONAL OFFICE, HOUSING AND HOME FINANCE AGENCY

INTRODUCTION

The General Accounting Office has made a review of the relocation of families displaced from selected urban renewal projects in Kansas and Missouri. The Fort Worth regional office, Housing and Home Finance Agency (HHFA), has jurisdiction over the administration of the urban renewal program in eight States, including Kansas and Missouri. Our review was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67). The scope of our review is described on page 14 of this report.

The urban renewal program is authorized by title I of the Housing Act of 1949, as amended (42 U.S.C. 1450). This act authorizes Federal financial assistance through advances, loans, and capital grants to local communities for the purpose of (1) assisting in the elimination and prevention of the spread of slums and blighted or deteriorating areas and (2) providing maximum opportunity for the redevelopment, rehabilitation, and conservation of such areas by private enterprise.

Pursuant to section 106 of the Housing Act of 1949, as amended (42 U.S.C. 1456), the Administrator, HHFA, delegated to the Commissioner, Urban Renewal Administration (URA), broad authority for administering the urban renewal program. The URA office is located in Washington, D.C.; the field activities of the program are carried out by the seven HHFA regional offices. A list of principal officials responsible for the activities examined in our review is presented as the appendix of this report.

The prime responsibility for initiating and administering the urban renewal program at the local level is placed with the communities themselves. Each urban renewal project is carried out by a local public agency (LPA) which is defined by statute as any State, county, municipality, or other governmental entity or public body, or two or more such entities or bodies, authorized to undertake the project for which assistance is sought.

To assist in the administration of the program, URA has issued an Urban Renewal Manual which contains the policies, procedures, and requirements to be adhered to by the LPA's in undertaking an urban renewal project pursuant to title I of the Housing Act of 1949, as amended. The HHFA regional offices are responsible for determining whether LPA's follow the requirements set forth in the manual, with respect to the submission of project proposals and subsequent execution of the project.

BACKGROUND

In most urban renewal projects, a problem arises with regard to families displaced from the urban renewal areas. These families are often from low-income minority groups with limited means of acquiring adequate housing in other areas. Even though the LPA makes relocation payments (from funds provided by the Federal Government) to cover the costs of moving, the requirement to move often places a financial burden on these families. When there is insufficient standard housing for displaced families, such families tend to move into, and further congest, existing slums or deteriorating areas. Inadequate housing resources or improper relocation plans could result in shifting slum conditions from one area of a city to another.

The Congress recognized this problem, and one objective of enacting section 105 of title I of the Housing Act of 1949 was to provide that families displaced by urban renewal activities be rehoused in decent, safe, and sanitary housing, with a minimum amount of hardship. Section 105(c) of the act provides that contracts for loans or capital grants require that:

"There be a feasible method for the temporary relocation of families displaced from the urban renewal area, and that there are or are being provided, in the urban renewal area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced from the urban renewal area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and reasonably accessible to their places of employment."

In Report No. 1, transmitted to the House Committee on Banking and Currency on January 31, 1956, the Subcommittee on Housing made the following comments on the relocation of displaced families:

"The subcommittee is concerned that adequate safeguards are being taken to see that such families are transferred, as painlessly as possible, to alternative decent housing which they can afford. * * * The subcommittee urges that the Federal authorities charged with overseeing relocation responsibilities exercise increased vigilance to make sure that the municipalities are in fact doing an effective and humane job in this area. Every effort should be made to insure a workable relocation plan with adequate personnel to supervise the working out of the program. If displaced families are merely shunted to another slum area or an area which is on the verge of becoming a slum, the problem is only aggravated further."

Although the law itself does not specifically direct the LPA to relocate families, it indirectly imposes this obligation on the LPA. Accordingly, the URA relocation requirements, which are intended to carry out the declared purpose of title I of the Housing Act of 1949, as amended, provide for the acceptance of such an obligation by the LPA.

Prior to the execution of a loan and grant contract, the LPA must submit a relocation plan to the HHFA regional office. This plan sets forth the policies and procedures which will be followed in carrying out the relocation phase of the project. The plan, as finally approved by the URA, constitutes the official criteria to which the LPA must adhere and is incorporated, by reference, in the executed loan and grant contract.

INADEQUATE RELOCATION ASSISTANCE TO FAMILIES DISPLACED FROM CERTAIN URBAN RENEWAL PROJECTS

In our review of the relocation of families displaced from selected urban renewal projects administered by the Fort Worth regional office, HHFA, we noted that a significant number of the families displaced in St. Louis, Mo., and Kansas City, Kans., were relocated into substandard housing and that a substantial number of the families displaced in these cities and in Columbia, Mo., were not afforded relocation assistance. We believe that the regional office's supervision and review of relocation activities of LPA's were not adequate to fulfill the intent of title I of the Housing Act of 1949, as amended, which was that displaced families be afforded an opportunity to relocate into decent, safe, and sanitary housing.

The Commissioner, URA, has informed us of his views on our findings and proposed corrective actions. His comments have been considered in the preparation of this report. The three cities whose relocation activities are discussed in this report were provided an opportunity to comment on the factual data presented herein, and we have given consideration to the views that they expressed.

Specific comments on these matters follow.

Displaced families relocated into substandard housing

A significant number of families who were displaced from slum clearance and urban renewal projects in St. Louis Mo., and Kansas City, Kans., and who were taken into the LPA's workloads, relocated into substandard housing. In many instances, the families who relocated into substandard housing were actually relocated into substandard housing by the LPA's, were offered only other substandard housing by the LPA's, or were not offered relocation assistance by the LPA's. Many of the families who were relocated into substandard housing were reported by the LPA's as having been relocated into standard housing. We believe that there were inadequate review and supervision of the LPA's relocation activities by the Fort Worth HHFA regional office.

St. Louis, Mo.: The LPA reports of relocation progress of the Mill Creek Valley and Kosciusko projects in St. Louis, Mo., as of June 30, 1961, contained the following information with regard to relocated families:

	Families	
	Mill Creek Valley	Kosciusko
Housing units relocated into—		
Standard units	1,426	410
Substandard units	379	174
Housing condition not known	162	66
Removed from workload	1,967	650

The above information shows that 553 families from the two projects had relocated into substandard housing. At June 30, 1961, the Mill Creek Valley project relocation effort was virtually complete; the Kosciusko project effort was about 65 percent complete.

We inspected 35 dwelling units selected at random from units reported as standard by the LPA and into which families displaced from the Mill Creek Valley project were relocated. On the basis of the standards set forth in the LPA's relocation plan, we concluded that 21 of these dwelling units were substandard. The deficiencies we noted included such things as inoperative plumbing, no running water, no heating facilities, doors falling off hinges, infestation with vermin, and leaks in roofs and walls. The head of the LPA's relocation section revisited seven of the dwelling units with us and agreed that these units were substandard. He informed us that visits to other units were not necessary and that he accepted our conclusion that the other 14 units we had inspected were substandard.

We inspected 31 dwelling units selected at random from units into which families displaced from the Kosciusko project were relocated. Twenty-eight of these units had been reported as standard by the LPA, and the other 3 had been reported as standard by the HHFA Fort Worth regional office site representative. The site representative had reported also as standard 4 of 28 units reported as standard by the LPA. On the basis of the housing standards set forth in the LPA's relocation plan, we concluded that 30 of the dwelling units were substandard. The head of the LPA's relocation section revisited 11 of the dwelling units with us and agreed that these units were substandard. He informed us that visits to other units were not necessary and that he accepted our conclusion that 19 of the other 20 units we had inspected were substandard. The regional

office site representative stated that his inspections consisted of visual observations from his automobile as he drove by the properties and that, in classifying the dwelling units as standard, he relied on the statements of the LPA personnel.

Some of the families who had been relocated into the substandard dwellings were so relocated by the LPA. Many of the other families either were offered only substandard housing by the LPA or were offered no relocation assistance by the LPA. The LPA assisted families displaced from the Kosciusko project in finding relocation housing by offering them addresses (referral lists) prepared from newspaper advertisements. Accompanied by an LPA relocation official, we inspected 16 of the 33 dwelling units listed on a Kosciusko project referral list dated June 6, 1961. The relocation official acknowledged that each of the 16 dwelling units was substandard. The dwelling units had not been inspected prior to their inclusion on the referral lists, as required by the LPA's relocation plan.

Regarding the Kosciusko project, the LPA reported to the Fort Worth HHFA regional office that, of a total of 724 families taken into the LPA's relocation workload as of August 1961, 178 families had self-relocated into substandard housing. We reviewed the files of 40 families, selected at random, that had self-relocated into substandard housing and found no evidence that the LPA made any effort to relocate these families from the substandard housing they had chosen into standard housing, as required by the LPA's relocation plan.

In commenting on the maters discussed above, the executive director of the St. Louis LPA questioned the basis that we used in classifying as substandard the houses that we inspected. The standards that we used as guidelines in our inspections were those contained in the LPA's relocation plans for the Mill Creek Valley and Kosciusko projects. We did not conclude that housing was substandard solely because of minor items; our conclusions were based on a combination of deficiencies—some major and some minor. For example, the deficiencies we noted for one of the structures above included: leaks in roof and walls, doors falling off hinges, toilet shared with congregation of church, no kitchen facilities, no bathing facilities, inoperable windows, no water, no electricity, and no heating facilities. The LPA's own inspectors, accompanied by us, classified as substandard about 35 percent of the structures which we concluded were substandard and accepted our conclusions on the remaining 65 percent of the structures.

Kansas City, Kans.: At April 30, 1961, the Gateway project relocation effort was virtually complete; the Armourdale Industrial Park project relocation effort was about 90-percent complete. The LPA reports of relocation progress for the Gateway and Armourdale Industrial Park projects as of that date disclosed the following information with regard to relocated families:

	Families	
	Gateway	Armourdale
Housing units relocated into—		
Standard units	323	83
Substandard units	10	
Housing condition not known	5	5
Removed from workload	338	88

The above data shows that the LPA reported only 10 Gateway families and no Armourdale Industrial Park families had relocated into substandard housing. However, the LPA's records as of that date showed that 29 Gateway families and 6 Armourdale Industrial Park families were relocated into dwelling units classified as substandard by the LPA.

We inspected 18 dwelling units selected at random from units recorded as standard by the LPA and into which families displaced from the Gateway and Armourdale Industrial Park projects were relocated. On the basis of the standards set forth in the LPA's relocation plan, we concluded that three of these units were substandard. One of these units was located in a substandard apartment building into which eight families had been relocated. The LPA classified this building on its relocation records as standard for the first six of these families, two of which were relocated into the building by the LPA, and as substandard for the other two families, one of which was relocated into the building by the LPA. LPA officials revisited this building with us and agreed that it was substandard. The LPA subsequently revised its April 30, 1961, report of relocation progress for the Gateway project to show that 50 displaced families, rather than 10 as originally reported, were living in substandard housing.

Although the LPA's relocation plans for the Gateway and Armourdale Industrial Park projects require that inspections be made of dwellings into which displaced families are relocated, LPA officials informed us that in many instances the only inspections of relocation housing by the relocation staff consisted of visual external inspections, made while the inspectors drove past the properties.

In instances where the LPA relocation staff inspectors classified dwellings as substandard, they did not report to the city's minimum housing code office, for corrective action, violations of the city's housing code. An LPA official told us that housing code violations were not reported to the city's minimum housing code office because LPA officials believed that (1) such action would adversely affect the availability of housing resources and (2) the relocation staff was not qualified to determine whether the housing met the city's minimum housing code requirements.

The Regional Director of Urban Renewal advised us that more emphasis would be placed on relocation activities. Subsequent to our field review, the Urban Renewal Manual was revised to require that an LPA notify the local housing code enforcement agency of instances where the LPA's inspections reveal that self-relocated families who declined standard relocation housing are living in dwelling units that do not meet local housing code requirements.

We believe that these actions will tend to improve the administration of relocation activities. However, in our opinion, the deficiencies disclosed by our review show that there were inadequate supervision and review of the LPA's relocation activities by the Fort Worth HHFA regional office. Accordingly, we proposed that the Commissioner, URA, require that HHFA regional officials provide closer supervision over the execution of project relocation plans by LPA's and that such officials make periodic inspections of relocation housing. We proposed also that the Commissioner not authorize future projects for St. Louis, Mo., and Kansas City, Kans., unless URA had received positive evidence from the LPA's that sufficient standard housing would be available for permanently relocating all displaced project families into decent, safe, and sanitary housing.

In a letter dated August 5, 1963, the Commissioner informed us that the agency had implemented the first of the above proposals by authorizing regional offices to employ additional site representatives who would specialize in the examination of all LPA relocation activities. He stated that these specialists would be required to inspect the interiors of relocation housing to ascertain whether such housing meets the standards of the approved relocation plan.

In regard to the second of the above proposals, the Commissioner informed us that the proposal had been made part of URA policy which was implemented by the issuance on May 17, 1963, of Regional Circular No. 627. This circular requires the HHFA regional offices, at the time, and LPA submit an application for survey and planning for a title I project, to make a systematic evaluation of past and current performance of urban renewal activities in the locality, including the quality of the relocation operation. He informed us also that the St. Louis, Mo., and Kansas City, Kans., LPA's had instituted changes in their administrative policies and actions which were intended to provide that displaced families be relocated in standard housing. He stated that these actions on the part of the LPA's, combined with closer regional office supervision, should result in far more satisfactory relocation activities in both cities.

We believe that the proper implementation of the actions described by the Commissioner should result in significant improvement in the quality of relocation activities conducted by LPA's.

Relocation assistance not provided soon enough

We found that a substantial number of families displaced from urban renewal areas were not afforded relocation assistance by LPA's because certain URA relocation requirements were not applicable until after the execution of the loan and grant contract. We believe that the displaced families should have been informed of the relocation assistance that would become available to them.

Our review disclosed that more than 3,300 of the nearly 7,000 families that the LPA's estimated were living in the Mill Creek Valley and Kosciusko projects in St. Louis, Mo.; the Douglass School project in Columbia, Mo.; and the Gateway project in Kansas City, Kans., were omitted from the LPA's relocation workloads and that they were thus never afforded relocation assistance. Some of the families may not have accepted LPA assistance, and some of the movement from the area may have been normal turnover. The whereabouts of most of the 3,300 families is unknown, and their absence was not shown on the LPA's relocation progress reports. Probably a significant number of these families moved into substandard housing, as did a significant number of self-relocated families whose housing conditions were a matter of record.

The Urban Renewal Manual (ch. 16–1) provides that an LPA submit with its survey and planning application (1) estimates of the number of residents in the project area and the number of families that will be displaced and (2) narrative descriptions of the housing supply in the locality. An LPA is also required to submit, with its application for a loan and grant contract, more detailed estimates of relocation needs and resources. Although the manual (sec. 16–2–2) authorizes the LPA to make a complete survey to obtain information on relocation needs, it does not require that such a survey be made. The LPA is required to initiate relocation activities as soon as site occupants enter the relocation workload. The manual (sec. 16–3–1) provides that:

"A site occupant enters the relocation workload when any of the following occurs:

"(1) The property occupied is acquired by the LPA or other public body.

"(2) A landlord requests assistance in relocating a tenant to permit rehabilitation or code enforcement.

"(3) A code enforcement agency requests assistance in vacating a unit.

"(4) A site occupant requests assistance as a result of rehabilitation or code enforcement.

"As soon as practical after the effective date of the contract for loan and grant, each site

occupant shall be interviewed for the following purposes:

"(1) Obtaining information on relocation requirements from families and individual householders.

"(2) Determining the relocation assistance which the site occupant requires.

"(3) Delivering to the site occupant informational material developed by the LPA explaining the relocation services which are available."

We believe that the URA regulations are inadequate in that they do not require the LPA's to advise families residing in areas selected for urban renewal projects of the relocation assistance that will become available to them until after the execution of a loan and grant contract. We believe also that URA should have required the LPA's to obtain more reliable information regarding relocation requirements and resources prior to the execution of a loan and grant contract. If reliable information on housing needs and resources is not obtained prior to the effective date of the contract for a loan and grant, significant relocation problems, such as a lack of available standard housing, may not be recognized in time to meet the needs of all the displaced families. Generally, by the time a contract has been executed, the residents of the area selected for the project have been aware for many months that they probably will be required to relocate. Consequently, many of these families, in anticipation of acquisition of the property by the LPA, move into other housing without having been advised of the relocation assistance that would ultimately become available to them. Of the self-relocated families whose housing conditions were a matter of record at the St. Louis, Mo., and Kansas City, Kans., LPA's, a significant number relocated into substandard housing. The relocation of a significant number of displaced families into substandard housing—the shifting of slums—negates much of the benefit of the project and is contrary to the clearly expressed intent of the Congress that the problems of slums and blight be attacked on a communitywide basis.

St. Louis, Mo.

The relocation plan for the Mill Creek Valley project, St. Louis, Mo., was approved by URA on June 24, 1958. This relocation plan showed that an estimated 4,212 families were to be relocated. The LPA report of relocation progress dated June 30, 1961, showed that the total relocation workload for the project was only 2,072 families. The head of the LPA's relocation section stated that as of June 30, 1961, the relocations from the Mill Creek Valley project area were virtually completed. Therefore, the remaining 2,140 families, or more than 50 percent of the families from the project area, were not taken into the relocation workload or provided relocation assistance.

The relocation plan for the Kosciusko project, St. Louis, Mo., approved by URA on May 12, 1959, showed that an estimated 1,872 families were to be relocated. The head of the LPA's relocation section informed us that only about 1,000 families were to be taken into the relocation workload. Therefore, the remaining 872 families from the project area were not to be taken into the relocation workload or provided relocation assistance.

An LPA official informed us that many families were not taken into the relocation workload because, in anticipation of the property acquisitions to be made by the LPA, they moved from the Mill Creek Valley and Kosciusko project areas prior to the actual acquisition of the properties in which they were residing.

Columbia, Mo.

The relocation plan for the Douglass School project in Columbia, Mo., was approved by URA on December 1, 1958. This plan indicated that an estimated 410 families would be displaced from the project area. However, the LPA's relocation records failed to account for 183, or over 40 percent, of these families.

LPA officials advised us that the original estimate of 410 families actually included individual householders, as well as families. However, our review of the LPA's records supporting the original estimate disclosed that, consistent with URA's definition (Urban Renewal Manual, sec. 16–3–2) of the term "family"—two or more persons who are living together in a single dwelling unit—410 families were to be displaced from the project area.

At June 30, 1961, the LPA reported the relocation progress of the project to the Fort Worth HHFA regional office. This report showed that 165 families had been taken into the relocation workload, leaving a balance of 245 families still remaining in property to be acquired by the LPA. However, on July 1, 1961, we noted that these properties contained only 62 families. Therefore, it appeared that relocation assistance would be provided to not more than 227 families, or about 56 percent of the 410 families reported in the relocation plan.

Kansas City, Kans.

The relocation plan for the Gateway project, Kansas City, Kans., approved by URA on February 26, 1958, showed that an estimated 657 families were to be relocated. In January 1961, the Fort Worth HHFA Regional Director of Urban Renewal requested his site representative to explain why the LPA's relocation records did not account for 293, or over 40 percent, of these families. The site representative replied that the 293 families had moved and that no one seemed to know where or when they went.

Our review disclosed that, since 166 individuals were included in the original estimate of 657 families, the number of families to be relocated should have been reported as 491. The LPA's report on relocation progress at May 31, 1961, showed that the total relocation workload included only 349 families, or less than 72 percent of the 491 families, with relocation virtually completed. Therefore, on the basis of the LPA's revised estimates, about 142 families displaced from the project were not taken into the relocation workload.

In commenting on this matter, the executive director of the Kansas City, Kans., LPA informed the Fort Worth HHFA regional office in a letter dated May 7, 1963, that the LPA had no responsibility under the prior URA regulations to relocate those families not taken into the relocation workload. He stated, however, that although there were no records to show that any contact had been made with these families, the LPA did encourage them, through newspapers, personal contacts, and letters, to remain in their housing until the LPA purchased the property in which they lived.

In enacting section 105(c) of title I of the Housing Act of 1949, as amended, the Congress intended that decent, safe, and sanitary housing be made available for all families displaced by slum clearance and urban renewal activities. We believe that the achievement of this objective would be advanced by URA's requiring that, during the period when survey and planning applications are being developed, rather than after the effective date of the loan and grant contract, the LPA's inform the residents of proposed urban renewal areas of the relocation assistance that will become available to them should the properties be acquired. We believe also that URA should require that the LPA's obtain reliable information regarding relocation requirements and resources during the survey and planning stage of the project.

We proposed that the Commissioner, URA, require that (1) at the time LPA's develop information to support their survey and planning applications, they inform the residents of proposed urban renewal areas of the relocation assistance that will become available to the residents should the properties in which they live be acquired and (2) during the planning stage of the projects, the LPA's obtain reliable information regarding relocation requirements and resources.

In a letter dated August 5, 1963, the Commissioner agreed to adopt our first proposal. Regarding the second proposal, he stated that:

"Since the projects referred to in this report have gone into execution, there have been extensive revisions in manual requirements with respect to the kind of showing an LPA is required to make as to relocation needs and resources. Detailed data on incomes, including breakdowns of families with incomes of less than $200 a month, family size, number of bedrooms required, housing availability by unit size and by rent and sales price brackets, makes it necessary for an LPA to examine both its requirements and housing resources much more carefully than was the case previously. If such an examination indicates the need for construction of additional housing, public or private, the manual requires that the LPA spell out in detail concrete plans for the provision of these additional resources and proposals for dealing with problem cases among displaced families, including the elderly, the handicapped, etc. If public housing is necessary to establish the relocation feasibility, an annual contributions contract must have been executed before a loan and grant contract will be approved for the urban renewal project.

"Review procedures also instituted in the last several years at both the regional and central office levels are such as to minimize errors in estimating requirements and resources. Errors and inconsistencies in the documentation are returned to the LPA's for clarification and explanation. Where long lapses are involved between relocation planning and project execution, the LPA's are required to bring their estimates up to date. This, of course, does not mean that we consider no further improvement possible in our present policies and procedures. The policies and procedures are under constant review and modifications will be introduced when the need for modification is indicated by experience."

We believe that the proper implementation of these procedures should result in a significant improvement in the quality of relocation activities administered by HHFA.

Scope of review

Our review of selected slum clearance and urban renewal program relocation activities was made at the HHFA Fort Worth regional office and at five local public agencies under its jurisdiction whose offices are located at St. Louis, Mo.; Kansas City, Mo.; Kansas City, Kans.; Topeka, Kans.; and Columbia, Mo. Our examination included a review of:

(1) The basic laws authorizing the program and the pertinent legislative history.

(2) URA's policies and procedures and its administrative regulations applicable to the relocation activities of local public agencies in the federally subsidized slum clearance and urban renewal program.

(3) Selected transactions and related project correspondence, documents, and other data pertaining to selected slum clearance and urban renewal projects.

Some verification to supplement our review at the HHFA office was performed at the above local public agencies.

APPENDIX

Housing and Home Finance Agency—Principal officials responsible for the activities examined in review and tenure of office

Administrator, HHFA

Albert M. Cole, from March 1953 to January 1959.

Norman P. Mason, from January 1959 to January 1961.

Lewis E. Williams (acting), from January 1961 to February 1961.

Robert C. Weaver, from February 1961 to present.

Commissioner, URA

Richard L. Steiner, from April 1957 to July 1959.

David M. Walker, from July 1959 to January 1961.

Charles L. Oswald (acting), from January 1961 to March 1961.

William L. Slayton, from March 1961 to present.

Regional Administrator, Fort Worth HHFA Regional Office

Waldemar H. Sindt, from December 1955 to February 1960.

John A. Foster, from February 1960 to March 1961.

Roderick A. Bethune (acting), from March 1961 to September 1961.

Roderick A. Bethune, from September 1961 to December 1962.

Robert C. Robinson (acting), from January 1963 to March 1963.

William W. Collins, Jr., from March 1963 to present.

Regional director of urban renewal, Fort Worth HHFA Regional Office

Robert C. Robinson, from January 1955 to October 1961.

Leonard E. Church, from November 1961 to present.

FAILURE OF RULES COMMITTEE TO REPORT H.R. 9903, TRANSPORTATION ACT OF 1958

Mr. CRAMER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. YOUNGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. YOUNGER. Mr. Speaker, the failure of the Rules Committee to report H.R. 9903 simply means that there will be another lapse of time before the Transportation Act of 1958 can be properly implemented so that all modes of transportation will be permitted to exercise their inherent advantages of cost and services which they possess.

Mr. Morris Forgash, president of the United States Freight Co., one of the foremost authorities on our transportation system, delivered an address on June 11, 1964, before the Boston Security Analysts Society at the Somerset Hotel in Boston, Mass. The address was entitled "Transportation Equation: Apathy Plus Inaction Divided by Talk Equals Crisis and Nationalization." He so clearly points out what will happen if Congress does not act, and I am sure that everyone interested in preserving our transportation systems will be interested in his address which follows:

TRANSPORTATION EQUATION: APATHY PLUS INACTION DIVIDED BY TALK EQUALS CRISIS AND NATIONALIZATION

(By Morris Forgash, president, United States Freight Co., before the 18th annual meeting of the Boston Security Analysts Society, Boston, Mass.)

I am glad to be with you. It is fitting that we should come together in this historic setting to discuss one of man's most ancient problems—mobility.

The city of Boston is very old and justly proud of its history and traditions, but it has never hesitated to part with the past in order to make a rendezvous with the future. That symbol of mobility, the American railroad, with which we are here so largely concerned, also has a proud and historic past, but its destiny is not so clear. The choice seems to be between realism and requiem.

The people of Boston have accumulated a reputation for fierce loyalty to the heritage of their past. The reputation lives on in many a good-natured yarn. Just the other day I heard of the little old lady who had lived all her life in Boston, and when asked why she had never traveled she promptly responded: "Why should I? I am already here." New Yorkers, of course, have a different philosophy. We travel even to the remotest suburbs of our city tolerating the local pride which causes some of them to be called by such names as Philadelphia, Washington, and Los Angeles.

In these environs were nurtured the hopes and the aspirations of a people seeking respite from tyranny, determined to create in a new land a new way of life. Here, from the balcony of the Old State House, the Declaration of Independence was proclaimed. Here, as a center of revolutionary activity, historic Faneuil Hall earned its name and its fame as the "cradle of liberty." Here, from the steeple of the Old North Church, a signal lantern flashed the message which Paul Revere carried to his rugged compatriots. The Boston Tea Party and the Battle of Bunker Hill stand as monuments to the raw courage and unconquerable determination of the people of this land.

With such a breed of men and such a patrimony, it is not surprising that Boston early became a center of manufacturing and financial activity. Here, before me, I see proof positive of the latter fact. The roster of the Boston Security Analysts Society forms an elite chapter in the "Who's Who" of the financial world. I confess to some trepidation in presuming to address you. And yet, as the manager of certain transportation enterprises, I feel a strong kinship with your endeavors. For while I lay no claim to being an expert in your field—and certainly I have not been initiated into the secrets of your profession—no man can successfully run a transportation business of any size today without a working knowledge of finance.

Investment is the employment of capital in the expectation of income or profit. Transportation cannot function without capital. In a free enterprise system the capital necessary to maintain and develop a transportation plant—other than earnings and depreciation—must come from the private money market. The common carriers compete in the money market with other industry. If their earnings are not comparable to those of industry generally they will not attract the capital necessary to maintain their credit position, modernize facilities and equipment, and improve efficiency.

These are simple economic facts. I recite them only to emphasize the predicament of the railroads. The rate of return on net investment in the railroad industry has not been good for quite a number of years. In 1962, according to figures released by the Interstate Commerce Commission, the overall rate of return was 2.72 percent. Broken down, the figures range from 0.79 percent in the giant Eastern district, to a high of 7.15 percent in the small Pocahontas region. In the Southern region the rate of return in 1962 was 4.02 percent and in the West it was 3.26 percent.

According to figures published by the Association of American Railroads, the return on investment of the railroads as a whole rose to 3.10 percent in 1963. That is encouraging, but it is not a cause for jubilation. The important fact is that the rate of return on railroad investment has risen above 4 percent in only 5 of the 18 postwar years, 1946–63. The peak year of the period was 1955, when the return was 4.22 percent. You can interpret these figures as well as I can, and your clients will assess their significance in the marketplace. I venture to suggest that they are not the kind of figures calculated to support sound financing.

The rate of return reflects the results of rail operations. We must be concerned with causes. To learn the causes of the declining railroad position it is necessary to examine some political and economic history and to look at some operating trends and statistics against the backdrop of the overall economy and the performance of other carriers.

Before I go into those matters, let me say that I have been making public statements about the transportation situation for a number of years now, and I have consistently stressed the railroad problem, simply because it is the heart of the transportation problem. I am aware that some people think I am an alarmist, and there are a few who consider me a railroad advocate. If I am an alarmist, I only hope I am an effective one, but I deny that I hold a brief for any particular mode of carriage. If someone should invent tomorrow an entirely new instrumentality for the movement of people and goods which would more adequately serve our economy and culture and improve our posture for defense and survival, I would shed no tears for the old order.

But transportation we must have and we must predicate our thinking on the undisputed fact that our railroads are still the essential ingredient of our transport system. The railroads are in deep trouble, and each tick of the clock brings us closer to the zero hour. If a sufficient number of people do not become alarmed about the situation to generate effective action, we will one day soon be forced to nationalize the railroad industry. If that occurs, it is the verdict of transport history that the other modes will quickly lose their independence. If we are to preserve the free enterprise system which is our greatest legacy, we must at all costs avoid taking this first long step toward changing our social order.

I am not, then, talking as an advocate of a mode of carriage—I am talking as an advocate of a way of life and a system of government to which our Founding Fathers pledged and risked their lives, their fortunes, and their sacred honor.

The dilemma of the railroad industry is perhaps the greatest paradox in history. The economic advantages of moving freight by rail as opposed to other means of transport are obvious and undisputed. A report recently submitted to the Secretary of Commerce by a Committee of the National Academy of Sciences shows that railroads can transport freight with less propulsive resistance over a wider range of speeds than any other mode of carriage. For example, the propulsive resistance generated by 50 net tons of freight in a railroad freight car is 6 pounds per ton at 40 miles per hour. At

the same speed, the propulsive resistance is 31.7 pounds per ton for 15 net tons of freight transported by a tractor and semitrailer over a highway. In an airplane flying at 300 miles per hour 20 net tons of freight has a propulsive resistance of 400 pounds per ton. Railroads can move freight in mass quantities at lower costs than any other media save tows on natural waterways.

Moreover, the railroad plant is in existence. It covers the Nation. The industry has the lines, the equipment, and the capacity to move vastly greater tonnage than it is moving today. Why is it, then, that the most economical mode of transportation, on a national scale, in the United States is rapidly losing its place in the economy and sitting helplessly by while its tonnage slips away to other modes? The answer will not be found in economics. We must look somewhere else. There are only two other places to look—governmental policy, and managerial acumen and skill. I will examine those areas. First, however, let me support my thesis that there is a railroad problem, of critical proportions.

On the graph of rail performance, tonnage and revenues have been forming a downward curve since 1952. There have been peaks and valleys, and there was a slight upturn in 1962 and again in 1963, but the curve is still downward. We must examine this trend, but not in isolation—it follows a pattern.

THE DOWNWARD SPIRALING RAILROAD CYCLE

For almost half a century now the economic history of the railroads has been tracing a series of cycles which form a downward spiral. In each cycle the pattern has been the same—crisis, war, and recovery. The cycles have grown shorter and the recovery has become less pronounced at each turn. The spiral is always downward. Thinking men no longer can accept this as a natural phenomenon.

In any human endeavor there comes a point in time which marks the dividing line between the past and the future. World War I stands at the juncture of railroad history. It is the equinox from which all who would understand the railroad story must look back and look forward. It ended an era of wholly restrictive regulation under which a splendidly equipped industry had been all but starved to death in the midst of plenty. It saw the birth of a new philosophy of regulation to which we still adhere, but which we have never quite succeeded in implementing.

The first World War forced upon us the hard choice of Government ownership or private enterprise in transportation. Many men of respected judgment thought that the sun had already set on free enterprise in transportation—that we had no real choice except permanent nationalization. Among them were Eastman, McAdoo, and the men who spoke for rail labor. It was clear to everyone that we had boggled the job of regulation, and that if private ownership was to succeed, Government policy had to be aimed at promoting and preserving transportation as well as protecting the public from abuse.

We chose free enterprise and Congress wrote a new transport charter—the Transportation Act of 1920. By all calculations it should have worked. It was designed to guarantee a fair return on the value of railway property; to recapture excess earnings and solve the problem of the weak lines on a "share the wealth" basis; and to bring about consolidation of the rail lines into limited systems for economical operation. But something went wrong somewhere down the line.

Men make resolutions under stress of crisis and tend to forget them in good times. We started out under the act of 1920 with high resolve and good purpose. Rate increases ranging from 25 to 40 percent were promptly granted. Prosperity came to the country and the railroads had a surface glow of well being. Net railway operating income, starting from practically nothing in 1920, rose to more than a billion dollars in 1925. It was a rosy picture.

But we made a crucial mistake in the prosperous twenties. We failed to implement the one vital provision of the act of 1920 which, if promptly carried into effect, might have averted the troubles which were compounded in later years. I refer to rail consolidation. The ICC promptly designed and promulgated a tentative plan, based largely on the recommendations of Professor Ripley. It called for 19 basic rail systems, and was made public in 1921. A storm of protest greeted the proposal. A discouraged Commission threw up its hands and asked to be relieved of its task by legislation. Failing in that effort, the Commission went through the gesture of lengthy hearings and, in 1929, issued a so-called final plan for the consolidation of rail lines into 21 systems. The law called for voluntary action and there were no volunteers.

Depression and new and vigorous competition hit the railroad industry at the same time, and after a decade of relative prosperity the railroads passed into the dark and chaotic decade of the 1930's—a decade of crisis. In their struggle to stay alive the railroads made rates with little or no thought for their growing truck competition, and their policies actually encouraged the expansion of highway transport. Thus, while a third of the railroad industry was sliding into bankruptcy, and most of the solvent roads were limping along on the crutch of Government loans, the trucking industry was becoming a potent and pervasive force in transportation.

By 1939 the first cycle on this side of the railroad equinox had been completed. The brave new charter of 1920 had failed. The industry was in worse condition than it had been in 1917. A new transport industry had been born and established its place in the sun. Nationalization was imminent and almost inevitable. It was on the drawing boards. On April 15, 1935, powerful Senator Burton K. Wheeler had introduced, as S. 2573 of the 74th Congress, a bill drawn up by Joseph B. Eastman to establish a Federal corporation, the "United States Railways." The corporation would have been directed to acquire all railroads and authorized to acquire all other carriers.

Then World War II changed the picture as dramatically as had World War I, but with certain differences. The war-generated traffic pumped new lifeblood into the railroad industry, but instead of precipitating Government ownership, as in the first War, it averted that catastrophe—at least in the short range. We had learned some lessons from the First World War—transportation was more diversified—and we had had more time to plan for effective Government-industry cooperation.

The second cycle started, as did the first, with a new congressional charter for transport regulation—this time the Transportation Act of 1940. That act brought domestic water carriage under the aegis of the ICC and undertook to provide for fair and impartial regulation of all modes, so administered as to preserve the inherent advantages of each. It was thought important to insure, as the act did, that rates would be made by each mode with regard to its traffic, and not the traffic of other carriers. This was supposed to give more latitude in the making of competitive rates and prevent "umbrella" ratemaking, but it has taken 24 years and a subsequent amendment to make that purpose effectively clear.

The war-induced prosperity of the railroads in the 1940's did not last very long. After World War II mounting costs forced the railroads to initiate a whole series of general, across-the-board, rate increases. These flat percentage increases distorted rate patterns and encouraged the rapid growth and expansion of long-distance trucking. By 1949 the second postwar cycle was beginning to reach the proportions of a crisis.

The Korean incident caused an upsurge of traffic which again encouraged a false sense of security to obscure the ever-deepening railroad problem. This mock prosperity ran its course in about 2 or 3 years. Then started the third march of the railroads down a familiar trail which is now moving us toward a point of decision or a point of no return.

A LOOK AT THE LONG-RANGE DECLINE

The declining position of the railroad industry in the economy and the distribution pattern is starkly revealed by figures which are available to all but which few take the time to read. First, let's go back just a quarter of a century, to 1939.

Between 1939 and 1962 the gross national product increased more than six times, rising from $91.1 billion to $554.9 billion.

In 1939 rail freight revenue of $3,376 million amounted to 3.73 percent of the gross national product. In 1962 rail freight revenue of $8,385 million was only 1.51 percent of the gross national product.

During this same 1939–62 period, operating revenues of motor carriers of property rose from $880 million, or 0.99 percent of the gross national product, to $8,131 million, or 1.46 percent of the gross national product.

In 1939 the railroads handled 62.3 percent of all ton-miles of freight moved in the United States. By 1962 their share of the total had dropped to 42.9 percent. Motor carriers of property increased their share of total ton-miles from 9.7 percent in 1939 to 23.7 percent in 1962.

Now, let us go all the way back to World War I for a few comparisons.

In 1921 the railroads employed 1,659,513 people. In 1963 there were only 679,828 rail employees. The average earnings, which were 62 cents per hour in 1921 had risen to $2.99 in 1963, so that the annual payroll increased from $2.8 billion in 1921 to $4.6 billion in 1963.

In 1921 the railroads owned 1,038,222 boxcars. The number had dwindled to 639,460 in 1962. Since more tons were handled in 1962 than in 1921 it is obvious that performance was improved. The average capacity of the 1921 boxcar was 37.5 tons—it had risen to 50.1 tons in 1962. Freight train speeds between terminals rose from 11.5 miles per hour in 1921 to 20 miles per hour in 1962, resulting in an increase in car miles per serviceable freight car day from 25.8 miles in 1921 to 47.5 miles in 1962. Doing more with less kept the railroads from sinking, but it did not keep them up front in the race.

In 1921, 36.9 percent of all car miles represented empty movements. The percentage had increased to 39.1 in 1962. In all areas save this the railroads have almost made up through improved technology what they have lost in units of work and equipment. Reducing empty car miles ought to be near the top of the railroads' agenda.

The rate of return on net railroad investment in 1921 was 3.04 percent, as against 3.10 percent in 1963. But 1921 was a year of transition from war to peace, and from Government operation to private management. The rate of return rose to 5.30 percent by 1929. It was 6.36 percent in the war year of 1942. In 1950 it was 4.28 percent, and it has never since been that high. We are in another downward cycle, and we should not delude ourselves into believing that the slight upturn in 1962 and 1963 has reversed the trend of nearly half a century.

THE PATTERN OF THE CURRENT DOWNTREND

Taking 1952 as the starting point of the present cycle let us examine a few statistics to see where we are heading.

In 1962 class I railroads handled 149 million tons less than they did in 1952—they received $801 million less in freight revenue. Here is how the figures for 1962 compare with those for 1952 in the various categories of traffic:

Products of agriculture, tons up 17 million; revenue down $54 million.

Animals and products, tons down 5 million; revenue down $98 million.

Products of mines, tons down 118 million; revenue down $270 million.

Products of forests, tons down 5 million; revenue down $9 million.

Manufacturers and miscellaneous, tons down 30 million; revenue down $102 million.

All LCL, tons down 7 million; revenue down $252 million.

It will be noted that revenue declined in every category of traffic over the 11-year span. Tonnage declined in all categories except products of agriculture where the railroads are hauling more tons for fewer dollars.

Considering 1952 as 100 percent, rail tonnage dropped to 89.22 percent and rail freight revenue fell off to 91.28 percent in 1962. Meanwhile, the gross national product, in 1962, stood at 159.91 percent of its 1952 level.

These are shocking facts and figures. They cannot be rationalized or swept under the rug. They tell a story which has to be understood to be appreciated. What happened to the products of mines and of forests—long considered to be almost captive to the railroads. What is responsible for the sharp decline in revenue on products of agriculture? Did these commodities go to other common carriers, or to private carriage, or did some of them lose out in the battle among products and perhaps reappear under some other category and in the statistics of some other mode? These are questions which should be a cause of concern to management and Government alike because somebody has to find the answers.

I suggest that this question should be the cause of greatest concern: Why are the railroads losing their manufactured commodities, and to whom? Without this traffic the railroads cannot survive. In 1962 the manufactured and miscellaneous category of traffic accounted for 28 percent of rail tonnage and 49 percent of rail freight revenues. If the railroads continue to lose this traffic at the present rate, they will be insolvent in a very few years.

It is manufactured and miscellaneous freight—the lifeblood of the railroads—which is most vulnerable to truck competition, regulated and unregulated. This is the freight on which the gray area operator feeds. It is the traffic toward which air transport is turning hungry eyes. This is the area of greatest danger to the railroads, but it also is the area in which they have the greatest opportunity to recoup their staggering losses and revive their sagging fortunes.

The entire range of manufactured and miscellaneous commodities is susceptible of containerization and handling in piggyback service. In this field the inherent advantages of railroading are so great, the economies are so apparent, and the potentials so unlimited, that to ignore them would be to play Russian roulette with the future of the industry and the investments of millions of citizens.

GOVERNMENT'S ROLE SINCE 1920

In the title of my talk I gave you an equation. I did not make it up—the facts make it our legacy. Apathy, plus inaction, divided by talk, equals crisis and nationalization of transportation. I have stated the facts with which we must deal. This is not a game with the competing carriers in the arena and the investors, shippers, and general public in the cheering section. This is a test of our determination to maintain the best transportation system that our technology can produce and to make it work under the principles of free enterprise. Each of us shares the responsibility for the success of that endeavor.

We are prone to criticize the role of Government in transportation, forgetting that Government speaks with the voice of the people, if the people make their voice heard. We carved out a new policy for transportation in 1920, but we never carried it out in full and we have consistently ignored some of its basic tenets.

In 1935 we decided to regulate transportation on the highways, but Congress wrote in so many exemptions and exclusions, and left so many loopholes in the law, that it excluded, more than it included. According to ICC statistics, federally regulated trucks accounted for only 33.4 percent of intercity ton-miles of highway transportation in 1961—unregulated trucks accounted for 66.6 percent of the total.

Then, in 1940, the decision was made to bring domestic water carriage under ICC regulation. This time Congress devised exemptions with even bolder strokes. The Commission estimated that in 1961 regulated water carriers transported only 14.9 percent of the ton-miles of waterborne domestic traffic. Much of the traffic handled by the regulated water carriers is, in turn, exempted from regulation, so that it is reliably estimated that not more than 10 percent of water transportation is regulated.

It was in 1940 that the national transportation policy which prefaces the Interstate Commerce Act was adopted. Previously, a similar policy had applied to motor transportation, but there had been no overall statement of policy. I have already referred to the new ratemaking policy adopted in 1940, designed to encourage greater freedom in the making of competitive rates.

In 1942 freight forwarders were brought under Federal regulation, by part IV of the Interstate Commerce Act, and subjected to the same controls and standards as are applied to other carriers.

The Transportation Act of 1958 was in the nature of an emergency measure, growing out of hearings on the deteriorating railroad situation. Congress expressed concern about the fact that the railroads' share of freight traffic had declined "from 74.9 percent of the total intercity ton-miles in 1929 to 48.2 percent in 1956." As I have already pointed out, the railroads' share of ton-miles had dropped to 42.9 percent in 1962—or one percentage point a year—and yet no one seems particularly concerned today.

Congress again revised the rule of ratemaking in 1958, so as to "encourage competition between the different modes of transportation." The Senate Commerce Committee said, in reporting the new rule, that it believed the policy of Congress always had been "that each form of transportation should have opportunity to make rates reflecting the different inherent advantages each has to offer." But it added that "the Interstate Commerce Commission has not been consistent in the past in allowing one or another of the several modes * * * to assert their inherent advantages in the making of rates."

When the railroads undertook to carry out the admonition of Congress to adjust rates to compete more effectively for business they encountered litigation by a solid front of competitors. The litigation dragged on. In 1961 legislation was introduced which would have completely reversed the ratemaking policy of the act of 1958, as well as that adopted in 1940. When the facts were made clear on the record, Congress rejected the legislation—bill S. 1197—and in 1963 the Supreme Court stated, in unmistakably lucid language, the meaning and intent of section 15a(3) as adopted in 1958. It said the purpose was to "permit the railroads to respond to competition by asserting whatever inherent advantages of cost and service they possessed."

EXEMPTIONS AND INEQUALITY

Meanwhile, faced with the grave knowledge that conditions in transportation were steadily worsening, the late President Kennedy sent to Congress, on April 5, 1962, a historic message requesting a bold new approach to the equalizing of competitive opportunity. Among other things, he requested that the exemptions in the act either be extended, in substance, to all carriers, or completely repealed. The implementing legislation took the approach of extending, rather than repealing, the exemptions. Extensive hearings resulted in a stalemate on the original bills.

Then the chairman of the House Interstate and Foreign Commerce Committee undertook to salvage the essential features of the Presidential bills. His committee reported H.R. 9903, providing for extension of the agricultural exemption to all carriers and for a limitation of the bulk-commodity exemption in water carriage to one commodity per vessel in lieu of three. This was later amended to provide for two exempt commodities. As you know, the Rules Committee refused to clear this bill for consideration.

That is where we stand today. That is where we will stand tomorrow and the next day if we simply wait and talk until the trends I have analyzed sweep us through crisis to nationalization.

The statement of national transportation policy which has been on our statute books for almost a quarter of a century, could not be improved upon. But we have dressed a shabby law in a silk hat. It is a cynical mockery to preface a law that regulates only half of an industry with a policy that calls for fair and impartial regulation of all. We must achieve equality of regulation and the only way to achieve it is to regulate all carriers alike or deregulate all to the same extent. That is the oldest concept of justice and the only one we can tolerate.

If we must face the fact that the political situation in this country is such that the agricultural exemptions which the trucks enjoy cannot be repealed, surely it is not an inescapable corollary that the exemptions may not be extended to other carriers. Certainly those carriers who have the benefit of the exemptions can present no logical or forceful reasons why the same exemptions should not be extended to their competitors. Shippers who like the exemptions and who, alone, could have any real reason for not wanting them repealed, assuredly could have no valid objection to their extension to other carriers.

The fear sometimes expressed that if the railroads are unshackled they will cut rates on exempt commodities to the point of destroying both themselves and their competitors is answered by the reality that it has not happened in the trucking industry where the exemptions have always applied. Shippers who say they would never know what their competitors are being charged probably really fear that they would no longer be able to gouge their own customers by pricing on the basis of a published rate while using an unpublished charge.

Insofar as the bulk commodity exemption is concerned I think it is time to bring the facts out of the shadows so that the American people can take a look at them. We ought to have the courage to regulate domestic water carriage or give up the pretense. A statute which regulates only 15 percent of an industry and 10 percent of its traffic is inequitable to the industry and grossly unfair to its competitors. When the segment of the industry that is regulated can handle both regulated and unregulated commodities it is understandable that it should not want to see the number of exempt commodities reduced. But, again, if the pressures are such that complete repeal cannot be effectuated then a start should be made somewhere. And

if that cannot be done then the exemption should be extended to all carriers.

Exemptions will not be leveled out, and equality of regulation will not be achieved, until the people who are being hurt get down into the arena and take off their kid gloves and fight.

THE GRAY AREA PROBLEM

Solving the exemptions problem will not, of itself, bring about equality of regulation. All regulated carriers are faced today with the rankest kind of unfair and destructive competition from carriers who lurk in the gray areas of the law created by inexact definitions and statutes designed to protect bona fide private carriage. Sometimes called gypsies or buy-and-sell operators, these are the bootleggers of transportation.

According to the Commission's 77th annual report, 451 court enforcement actions were brought against gray area operators in the fiscal year 1963, resulting in a total of $359,000 in fines. Shippers were included as defendants in 103 of these cases. And still the activity grows. In the same report the Commission estimated that gray area operators cost the regulated carriers at least $600 million a year.

Actually, it is a misnomer to call these carriers gray area operators. The only categories of carriers are duly authorized, regulated carriers; exempt carriers; legitimate private carriers; and illegal for-hire carriers. But the law has gray areas. The law defines common and contract carriers with precision but the definition of private carriage is fuzzy, and the leasing regulations do not apply to private and certain exempt carriage. These loopholes must be plugged up before the gray area cancer of transportation becomes terminal. If, by definition, private carriage is limited to its own sphere, and the law is amended so that there can be absolutely no intermingling of private and for-hire transportation, the gray area operator will be forced out into the open where he can be spotted and coped with.

There has been a lot of talk—a number of bills have been introduced—extensive hearings have been held—the law has been patched a little from time to time, but the problem remains unsolved. You and your clients are paying a heavy price for inaction. Let's build some fires.

MERGERS ARE INEVITABLE—WHY NOT NOW?

The railroad industry knew, at the turn of this century, that consolidation into a limited number of systems was inevitable. The movement was stopped by the Supreme Court's interpretation of the antitrust laws in the Northern Securities case in 1904.

In 1920, Congress made consolidation of the railroads a matter of governmental policy. The railroad industry was not ready to accept consolidation on so broad a scale as the Commission proposed in 1929. Ultimately, the directive to the ICC, to affirmatively propose a plan was dropped from the law, but section 5 of the act, read in the light of the national transportation policy, in my opinion, still reflects a policy favoring merger of rail lines into efficient systems. The statute establishes procedures for the approval of mergers which are found to be in the public interest and the transportation policy directs that the act be so administered as to encourage economic conditions in transportation.

The economic necessity for large-scale mergers is greater now than it was in 1920. Then it became a matter of policy, now it is a condition of survival. Those who think we are moving too fast in the matter of mergers have not considered the consequences of moving too slowly. I say we are moving much too slowly, and that it is the obligation of everyone—the owners, the managers, the users of the railroads, and the Government, to speed up the process of consolidation. If we do not have the initiative and the ingenuity to plan and execute mergers of the rail lines into efficient and economical systems under private ownership circumstances will force us to do so under Government control.

COORDINATION THROUGH DIVERSIFICATION

Coordination of transportation has been a goal of our policy and a target of our study and planning ever since the newer forms of transport came upon the scene. But with it all the modes of transport have remained largely compartmentalized. We have shied away from the one means of achieving coordination that holds the greatest promise—diversification through common ownership.

We have made a "bogey man" of common ownership and a fetish of preservation of the modes. After the newer forms of transport had reached the stage where it became necessary to bring them under Federal regulation they persuaded a receptive Congress that they needed protection from being "gobbled up" by their powerful competitors, the railroads. As the industries grew up, the need for an iron curtain gradually disappeared, but the wall still stands.

Industry has diversified and dispersed. Everything has changed except the pattern of transportation. Plants and outlets have moved away from the railhead, but the railroads have been limited in their opportunity to take to rubber tires to follow the traffic. In my opinion the law in this respect is too rigid and it has been too rigidly applied. The inherent advantages of the various modes are being suppressed in the mistaken belief that they are being protected.

In my opinion, our laws and our policies with regard to diversification of ownership are due for an overhaul. We are operating under old rules in a new world. I suggest we wake up and modernize while there is yet time.

PRICE, CAPACITY, AND ECONOMY

The only commodity that any transportation agency has to sell is service. The competition of industry and markets has made the shipping public increasingly price minded. A wider choice of transport media has sharpened the shippers' taste for service. The railroad industry has not been sufficiently alert to the pricing of its service to reflect its own economies, its own capacity, and its advantages in the competitive arena.

I ask you to bear in mind these fundamentals: The advantages of rail service are directly related to volume; railroads have a tremendous unused capacity; and their potential for handling greater volumes at higher speeds has hardly been tapped.

How do the railroads attract the volume necessary to fill out capacity and invoke the true economics of rail transportation? The first answer is to tailor pricing to suit the market. Other nations in the world are far ahead of us in the matter of guaranteed, contract, and incentive rates designed to attract and retain volume. We have all-commodity rates and a limited number of multiple-carload and trainload rates—even annual volume rates. So-called "guaranteed rates" under which a shipper agrees to give a railroad a specified percentage of his tonnage, have been disapproved. Plans have been devised for "integral trains" and "shuttle" trains.

By and large, however, the rail rate structure is still tied to capacity of a boxcar. This is unrealistic today. Charges must be designed to fit the traffic and not the unit of haulage. Moreover, prices must be designed to reflect the economy of mass movement. A railroad has a fixed plant, like a manufacturer. The plant incurs certain costs whether it is used or not. Much of the capacity is not used. If the service is priced to reflect full costs the railroads will not attract the volume necessary to maximize the economy of their operations. It would add to the overall economy and efficiency of rail operations if rates were fixed, in the first instance, on the expectation of volume and at no more than is necessary to offset the cost of handling the added traffic. If someone says this is the "added traffic theory" I say: "So what?" It will benefit the railroads and the shipping public in the long run, and this is a time to be realistic, not theoristic.

The next area to explore is improved service. Speed is an essential ingredient of service in today's market. I showed earlier that in 41 years, between 1921 and 1962, the speed of freight trains was increased by only 8.5 miles per hour. Speeds fantastically higher than the present average of 20 miles per hour are possible. Between all points where solid trainloads of freight can be generated freight trains can exceed the speed of passenger trains because passenger stops would be bypassed.

Today the elapsed passenger time from New York to Los Angeles is approximately 57 hours. A solid train of freight cars, equipped with roller-bearing wheels, could better that time and roll into Los Angeles for second midnight or very early third morning placement for delivery. Even the air freight carriers, with speeds of 600 miles an hour, could not shade that time sufficiently to justify the differential in price which they must exact.

Finally, new techniques must be explored and exploited if the inherent advantages of railroading are to be fully realized. Piggybacking is a stirring example of what I am talking about. The advantages of transporting freight in containers that can be freely interchanged among modes of carriage without transfer of lading have been known for decades. But because the old way is the easy way we did not find the initiative to perfect and make modern application of the technique of piggybacking until just a few years ago.

Even while trailer-on-flatcar service was in its early experimental stages, beset by legal questions raised by those who would thwart its progress, it was meeting with instantaneous success in the marketplace. The shippers liked it, and liked the simple and realistic basis on which it was priced. I gave you the declining figures of overall rail service for current years. Piggyback carloadings are a far different story: 550,000 cars in 1960; 600,000 in 1961; 700,000 in 1962, and 800,000 in 1963. If overall rail service had advanced at that rate we could close up the office and go fishing.

It is the potentials and not the progress of piggybacking which now must occupy the thought and attention of everyone concerned. Piggybacking offers the only hope for recovery by the rail lines of their manufactured and miscellaneous freight which they are losing at the rate of 30 million tons a decade. It is the most effective weapon the railroads have against private carriage because the pricing of the service is oriented to the cost of do-it-yourself transportation. It is the only effective means the railroads now have for extending the railhead to a dispersed industry.

Piggybacking is the only medium yet discovered which permits the railroads to turn out a product composed of pure rail service, stripped of costly terminal handlings, switching, classification, transfers, and so on. It is the only service which can be priced on exactly known rail costs, and priced at a figure that is profitable to the railroads and economical to the shippers.

The speed of piggyback service is built in, by the avoidance of delays at terminals, transfer points, and sidings, and the speed can be greatly enhanced. By pooling their piggyback cars the railroads could run only trains of trailer-on-flatcar traffic between some points today—between many others very shortly. Any rail facility for the loading of piggyback trailers can be a "union station" for piggybacking. Consolidated rail

piggyback trains can make faster delivery schedules between all major cities than any other surface medium and can reduce the differential in time between rail and air transport to a point where rail service will be fully competitive with air freight.

CONCLUSION

I have called upon fact and history to show the direction in which we are headed in transportation, and I have told you what I think we must do if we would arrive at a different destination. I hope that by being painfully realistic I have not given the impression that I am unduly pessimistic. A renaissance in transportation in this age of miracles is not a mirage—it need not be a distant shore. If we do not reach that shore it will be because we sank in a sea of apathy.

Transportation is our strength, our protection, and the hope of our future. The success of our endeavor to keep transportation in the realm of free enterprise will, in a very large measure, reflect our capacity to govern ourselves in the manner conceived by our Founding Fathers. It is a relentless fact that we are now drifting listlessly on a tide of indifference in the wrong direction. But you and I can change the course of events. We can bring about equality of opportunity under regulation, and we can insure to all modes complete freedom to assert their inherent advantages. Given such freedom and equality of opportunity, I am confident that the managers of transportation have the imaginative genius and the indomitable determination to do the rest.

None of us will do any of these things if we wait and make studies and talk. What I suggest will require hard work and complete indifference to obstacles. It is as true today as when it was said in the fourth century B.C. by a great dramatist, poet, soldier, and financier, a man called Sophocles, that—"Heaven never helps the man who will not act."

THE WHEAT-COTTON-FOOD STAMP DEAL—TOM CURTIS WRITES TELLINGLY OF AN OUTRAGEOUS EPISODE

Mr. CRAMER. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, having served for 12 years in the New Hampshire State Senate, I can honestly say that I am no stranger to the rumbling of rolling logs. When I came here last year, however, I had hoped that this practice would be tempered by the alertness of the fourth estate, seemingly so loud and perceptive in its important task of exposing legislative foibles to public scrutiny. But, alas, I have waited in vain since the passage of the wheat-cotton-food stamp package for the fourth estate to perform its function. It is true that many Congressmen have written about this sad and outrageous performance but the general press has been strangely silent.

On Wednesday, April 8, and in the early hours of April 9 of this year, the body of a truly great American, General MacArthur, lay in state in the Capitol rotunda—symbol of duty, honor, and country—one could almost hear the bugles of glory. But glory found a sad and sickening echo here in the House. Representative THOMAS CURTIS, my distinguished colleague from Missouri, has written a definitive account of those events in his newsletter to his constituents for the month of May 1964. This account should be required reading for every student of good government in this Nation and, indeed, the world. If representative government is to survive, the doings of this, the greatest representative body in the world, must be scrutinized constantly, objectively, and forthrightly. The cause of representative government owes a special debt to people like THOMAS CURTIS for their painstaking scholarship and fearless commentary. I hope that my colleagues will find his newsletter of interest and that thoughtful people throughout the Nation will read and reread the powerful and perceptive prose of this great American from Missouri. I hope that concerned citizens and organizations will find ways to spread the truth about this sorry episode that seems to have escaped the public scrutiny it so richly deserves. TOM CURTIS' newsletter follows:

NEWSLETTER OF TOM CURTIS OF MISSOURI

MAY 1964.

DEAR CONSTITUENT: The following is a form letter I prepared in answer to the many letters I received on the cotton-wheat legislation which recently became law. I think it is a matter of great concern to all of us and accordingly I have devoted this newsletter to it: "Thank you for your recent letter commenting upon the cotton-wheat and food stamp legislation which recently passed the House of Representatives. In order to answer these inquiries in some depth I have prepared the following mimeographed letter.

"The two bills and three basic subject matters are so interwoven that the matters cannot be treated separately as they should be.

"HOUSE STARTS WITH A BAD COTTON BILL

"The House earlier this year passed a cotton bill. In my judgment this was a bad bill because it compounded two previous errors with still another error and made the entire cotton picture, farming and cotton textile manufacturing, worse. The first error was made many years ago when the Federal Government continued to subsidize the growing of cotton in the United States after the end of World War II instead of gradually bringing cotton growing back to marketplace regulation. Having subsidized the growing of cotton, our cotton farmers found that they were pricing themselves out of the world market. The price of U.S. cotton boosted by the subsidy was higher than the world market price.

"Instead of taking a look at the whole picture which indicated that it was the subsidy that was causing the trouble our cotton farmers asked for a further subsidy. The cotton farmers' position prevailed and a law was passed permitting the Federal Government to sell cotton abroad at a lower than domestic market price with the U.S. taxpayers subsidizing the difference.

"A TRIPLE SUBSIDY

"This subsidy upon a subsidy created an untenable position for our domestic cotton textile companies because they found that foreign textile manufacturers, Japan and Hong Kong in particular, could buy U.S. grown cotton, subsidized by the U.S. taxpayers, at a cheaper price. Accordingly, the cotton textile manufacturers came to the Federal Government, not to remove the first two subsidies which were creating the problem, but to get a subsidy for themselves so they could buy U.S. grown cotton at the same price the foreign manufacturers were paying.

"This was the cotton bill which passed the House. A subsidy on a subsidy on a subsidy. What will happen now that this has become law? It is already beginning to happen. The manmade fiber textile companies are complaining about the subsidy to their competitors, the cotton textile companies. Shall we correct this inequity with another subsidy to the rayon, dacron, etc., textile companies and to the companies that make these chemicals, to be paid for by the U.S. taxpayer and the U.S. consumer? This whole process is bad economics for the cotton farmer, the cotton textile manufacturer, the U.S. taxpayer, and the U.S. consumer.

"SENATE ADDS BAD WHEAT BILL

"Nonetheless the cotton bill was passed albeit by a slim margin. Enough northern city Democrats voted with their party allies in the South. The cotton bill came to the Senate where it was placed ahead of the civil rights bill. In the meantime the Johnson administration had become alarmed about the wheat farmers who had rejected by an overwhelming vote the wheat subsidy program of last year. The Democrat administration said then that the wheat farmers could stew in their own juice. However, President Johnson changed his mind and by a very slim margin, a wheat bill, quite similar to the discredited wheat subsidy bill of last year was tacked onto the cotton bill and the bill, now the cotton-wheat bill, passed the Senate.

"GAG RULE MAKES WRONGS RIGHT

"The cotton-wheat bill came back to the House of Representatives because it had become a different bill. To prevent the House from studying, amending, or adequately debating the wheat bill portion, the Democrat leadership then resorted to some very poor parliamentary tactics. They obtained a rule which permitted no amendments and limited the debate to the completely inadequate time of one-half hour to a side. This is the 'gag rule' and is deplored by all fairminded people of whatever political party.

"BREAD TAX UNCONSTITUTIONAL

"The wheat bill added to the woes of the cotton bill because it too was a bad bill. Not only did it provide a Government straitjacket for the wheat farmers but it imposed a tax on the processors of wheat * * * the bakers of bread, for example * * * and an export tax on the exporters of wheat, to pay for the wheat farmers' subsidy. The bill is clearly unconstitutional because (1) tax laws must originate in the House and this bread tax originated in the Senate; (2) export taxes are expressly forbidden by the Constitution; (3) the Supreme Court has held processing taxes like this proposed bread tax unconstitutional. The House leadership didn't have the vote to pass these two bad bills joined together. So they looked for another bill to get a new bloc of votes.

"FOOD STAMP BILL ADDED—A RAW POLITICAL DEAL

"Previously this year the House Agriculture Committee had rejected a bill to provide, countrywide, food stamps for persons on welfare. This bill was not just an extension of the pilot food stamp program, which was designed to reduce agricultural surpluses. In fact, it forbade agricultural surpluses being disposed of in areas where the new food stamp proposal was to be set up.

"The food stamp bill had been rejected by the House committee for several reasons. (1) Its excessive costs. (2) It was not designed to get rid of agricultural surpluses. (3) It negated the theory of the present welfare programs based upon cash rather than goods. (4) It was difficult to police and lent itself to fraud.

"The northern city Democrats looked upon the food stamp program as a method of aiding the voters in their districts who were

on welfare. However, they knew the cotton-wheat bill would raise the price of food and clothing to their people so they didn't like to vote for it anymore than the southern Democrats liked to vote for the food stamp bill which did nothing for their constituents.

"TIMBER—THE LOGS START TO ROLL

"A cold raw political deal was made. The southern Democrat said to the city Democrat, you vote for my cotton bill, I'll vote for your food stamp bill. The northern city Democrat said, you vote for my food stamp bill and I'll vote for your cotton bill. The American public, constitutional law, correct congressional procedures notwithstanding.

"Neither side to this illegal logrolling deal trusted the other. Accordingly, it was agreed that both bills * * * the cotton-wheat bill and the previously rejected food stamp bill would be brought up on the floor of the House on the same day. However, the northern city Democrats demanded that the food stamp bill be brought up first and voted on so they could be certain that the southern Democrats didn't pull a doublecross.

"All of this was general knowledge on the floor of the House and, I might add, to the news reporters. The deal moved forward. The House debated the food stamp bill but when the time came for a vote the Republicans interjected a bit of parliamentary strategy of their own and asked for an 'engrossed copy' of the bill. On a lengthy bill which had amendments added, it requires several hours to prepare an 'engrossed' or a freshly written bill. This usually means that the House adjourns and goes over until the next day, which was, of course, exactly what the Republicans wanted so the cotton bill would be voted upon before the food stamp bill and so possibly break up the illegal logrolling going on.

"So the vote was delayed and the cotton bill was called up. As the gagged debate started Congressman BOLLING, a spokesman for the city machine Democrats, went to the Speaker's chair and engaged in heated discussion with Speaker MCCORMACK. It was obvious what Mr. BOLLING was saying. The deal is off, unless the vote on the food stamp bill comes first. We don't trust the southern Democrats and we won't deliver on the cotton bill until the vote on the food stamp bill is taken.

"PARLIAMENTARY MOVES QUESTIONABLE

"A strange and unusual thing then happened. The Speaker interrupted the debate, banged his gavel and announced: 'The House is in recess at the call of the Chair' and before anyone could raise a question of parliamentary procedure he had disappeared from the House Chamber.

"I ran up to the Parliamentarian, Louis Deschler, to ask, 'By what right does the Speaker recess the House? He has no right unless the House by majority vote agrees to a recess.' The Parliamentarian said: 'Yesterday the House by unanimous consent granted the Speaker the right to recess the House today and tomorrow at his discretion.' But, I said, 'This permission was granted to the Speaker so that the House could attend the ceremonies in the Capitol rotunda to pay tribute to Gen. Douglas MacArthur when his body arrived to lie in state. It was only for this purpose and for no other purpose.' The Parliamentarian said 'the wording was in general language.' And so it was, technically. But what a shocking abuse of a permission granted solely to permit a deserved tribute to that great American, Douglas MacArthur.

"About 10:30 that night, the Speaker finally called the House back into session from the recess. The engrossed copy of the food stamp bill was then ready for vote.

"LOGROLLING PASSES BILLS

"The Speaker, still playing fast and loose with the rules of procedure, interrupted the Republican he had recognized, to call up the food stamp bill for a vote. The vote was taken and enough southern Democrats delivered on their part of the bargain to pass the bill.

"No amendments to the cotton-wheat bill were permissible under the gag rule, so after a half-hour debate on each side the vote was taken. It was then past midnight. On the two readings of the rollcall the vote seesawed back and forth, but in the end, the cotton-wheat bill passed by a margin of four votes, enough city Democrats had delivered on their part of the bargain."

This is the story of the cotton-wheat bill passed in the 2d session of the 88th Congress and signed by President Lyndon Johnson. The food stamp bill still faces an uncertain future in the Senate. This story should be fully known and evaluated by the people of our country. It should be a basic issue in the coming November elections. And it will be if the people ever get the story.

DIRE IMPLICATIONS

I don't know whether the dire implications of this incident comes through in just one reading.

Please read the letter again.

Let me stress some of the points.

Legislation for the special interest of three limited groups in our society, the cotton textile manufacturer, a portion of the wheat farmers, and certain people on relief, none of which could be passed on its own merits, was enacted to the grave detriment of both the freedom and living standard of the overwhelming majority of the American people. Certainly each one of the three bills will ingratiate the promoters of the legislation in the eyes of these blocs of voters. But the majority of the voters who are hurt may never know what happened to them.

ILLEGAL TACTICS

Illegal tactics were employed to bring this about. Logrolling is a criminal offense. No action by the Justice Department, of course, is contemplated any more than action by a congressional committee because all power is vested in the leaders responsible for the crime. The Constitution was knowingly violated. Improper procedures were followed in the House of Representatives. Adequate study and debate was suppressed.

The House passed a measure, the wheat bill portion, without the matter ever being referred to the Agriculture Committee for public hearings and study. There was no study of the measure in the House. Debate was limited to one-half hour on a side. No amendments were permitted under the gag rule.

The majority leader, CARL ALBERT, defended these tactics saying the "majority had the right to work its will." I responded that in a representative government the majority has a right to work its will only after adequate study, debate and amendment. That is the purpose of a Congress and the reason for the established Rules of Procedure of the Congress. This distinguishes an independent legislative body like the U.S. Congress from the servile legislative bodies of a dictator. Hitler's Germany kept the Reichstag in existence just as Khrushchev still has the Supreme Soviet.

PEOPLE ARE LOSING FREEDOMS

Finally, the news reporters have failed to inform the people of these matters, even the complaints registered in speeches on the floor of the House. So the people are losing their freedoms based as they are upon the integrity of an independent Congress and a proper regard for the Constitution without being aware that this is coming about.

Government by men is replacing government by law while the news media fosters the personality cult, the hero worship technique which permits this to come about.

Sincerely,

TOM CURTIS,
Your Congressman.

THE BRACERO PROGRAM

Mr. CRAMER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. TEAGUE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, under leave to extend my remarks, enclosed is an excellent editorial from the Lompoc (Calif.) Record. The quotation from William G. Kenyon, executive secretary of the General Teamsters, Warehousemen and Helpers Union, Local No. 890, is commended to the attention of my colleagues:

BRACERO BOOBOO

Largely on the advice and urging of certain elements in organized labor, State and Federal officials finally succeeded in convincing Congress that the long-established and mutually successful bracero agreement with the Mexican Government should be terminated. There are, labor leaders had promised, ample domestic workers ready, willing, and able to do the hard stoop labor in the hot farm fields formerly done by the seasonal Mexican immigrants.

Experience has not supported this contention at all. California Farmer recently quoted an executive of the Teamster local which has a contract to supply all the workers neded by two Salinas Valley lettuce growers as saying:

"We can't supply the stoop labor requirements of these two growers, let alone others. Domestics are not hungry enough to do stoop labor." The labor executive, William G. Kenyon, executive-secretary of General Teamsters, Warehousemen and Helpers Union, Local No. 890, added that the average length of stay by domestics is 3 days. He also declared that despite the claim of some top union officials that higher wages would attract domestic help, "even if wages were increased to $5 per hour it would not bring sufficient workers to the fields to fill the requirements."

Mr. Kenyon is concerned with his union's reputation for living up to a contract, and the precarious nature of such contracts under the circumstances. It is unfortunate that more labor leaders, and their sponsors in Sacramento and Washington, haven't had the same informed and conscientious concern in the past.

APPORTIONMENT OF STATE LEGISLATURES

Mr. CRAMER. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, because of the incredible and intolerable decision rendered by the U.S. Supreme Court relative to the apportionment of State legislatures, I have today addressed the following communication to the distinguished chairman of the House Committee on the Judiciary:

Hon. EMANUEL CELLER,
Chairman, House Committee on the Judiciary, Washington, D.C.

DEAR MR. CHAIRMAN: In view of today's shocking decision by the U.S. Supreme

Court requiring that wherever practical both houses of State legislatures must be apportioned on the basis of population exclusively, I respectfully request the prompt scheduling of hearings by the House Committee on the Judiciary on House Joint Resolution 34 which I introduced January 9, 1963.

This joint resolution is identical with one which I previously first introduced July 23, 1962.

In my judgment, the instant decision of the U.S. Supreme Court is an act of unprecedented judicial usurpation based on incredible distortion of the equal protection clause of the 14th amendment.

By this single sweeping action, the Court reverses both judicial and historical precedent antedating even the adoption of the U.S. Constitution.

Indeed, I believe that this decision, by destroying the historic system of checks and balances as between the two houses of the State legislatures, in effect defies the first clause of section 4 of article 4 of the Constitution which provides:

"The United States shall guarantee to every State in this Union a Republican Form of Government, * * *"

House Joint Resolution 34 calls for the submission to the States of the following proposed amendment to the Constitution:

"Nothing in the Constitution of the United States shall be deemed to prohibit any State from establishing, through its own constitution, representation in one house of its legislature based on factors other than population exclusively."

I believe that such a constitutional amendment is a desperately needed corrective for today's incredible decision. I know of no other recourse now remaining to the States or the people except this or a similar amendment to the Constitution of the United States. I believe they are entitled to the opportunity to exercise this recourse forthwith.

Sincerely yours,

AUGUST E. JOHANSEN.

FOREIGN AID: AN OBJECTIVE APPRAISAL

The SPEAKER pro tempore. Under previous order of the House the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, I wish to express at this time my favorable reaction to the responsible action of the House which last week reiterated the Nation's firm commitment to assist the less developed countries of the world.

The House has favorably considered the authorization measure for fiscal 1965. We have again reaffirmed our support for a program which is indispensable in the attainment of our global objectives.

I think, firstly, that it is important to point out although the scope of economic and military assistance has been narrowed, its purpose remains valid.

I believe we would be forfeiting much of the world to either a tragic chaos or Communist domination if we failed to take up the challenge which our free world leadership has thrust upon us. In the complexity and diversity which characterizes the present age, it is not often possible to detect precise gains. This is not a simple sporting event in which points can be chalked up in bold print. Nor is it a contest for mastery of the world's poorer populations. It is, more appropriately, a concerted effort to assist those who would help themselves toward a better life. Only through steady progress on this front can we hope to achieve a world of law and order in which men deal with each other by accepted and common rules of behavior.

I cannot believe that this is a mere pipedream. Of course, it is not something which can be accomplished in weeks or months or even years. This long-range goal will take years and perhaps decades to materialize. Yet, if the Nation does not base its general policy upon these far-reaching objectives, then every thrust on our part, political or economic, loses its rationale.

The foreign aid program is a vital arm of foreign policy. It is essential for our own security interests and the goals we seek in the world at large.

This year the authorization measure provided for new money approximating $3.5 billion. This figure is $1 billion less than last year's request. The Agency for International Development, following last year's appropriations, has been actively engaged in an attempt to concentrate the aid and subject it to more efficient regulation. Specific aims have been more concisely defined.

Technical cooperation and development grants will now be channeled to only 49 countries, 8 having been removed from eligibility. In the last 15 years, 17 nations have progressively developed to the stage where no further aid was needed. In the immediate postwar years, 12 percent of our Federal budget was allocated toward foreign economic and military assistance; today, that allocation amounts to 4 percent.

Furthermore, I think it is significant to realize that this $3.5 billion authorization represents only 0.6 percent of the gross national product. France, among other industrialized states, is earmarking a greater percentage. American foreign aid constitutes 4 cents out of every tax dollar.

I cannot conceive of this great Nation, the richest in the world, leader of the free world, disengaging herself from a concerted enterprise which fits so instrumentally into promising long-range objectives. Certainly, 0.6 percent of the total productive value of our goods and services can be afforded toward an enlightened challenge of bolstering the fortunes of much less privileged peoples.

The military program represents slightly above $1 billion of the total aid amount. Two-thirds of this $1 billion is programed for 11 countries which border upon the Communist bloc. This section and the rest of the authorization is geared to strengthen the military forces of nations which recognize, and are willing to participate in meeting, Communist military power. At the same time, it is necessary to maintain at high efficiency the many American bases around the globe. This is clearly in our own security interests and those of the free world.

There is one aspect of the program, however, to which I must take serious exception. While registering my overall aproval of the legislation, the fact that the United Arab Republic continues to be regarded as an eligible recipient distorts the picture. The record is abundantly clear that Colonel Nasser and the Egyptian Government are corrupting the purpose and objectives of the foreign assistance program.

The administration has not called into action the provision of the law barring aid to any State which is preparing for aggressive war against the United States or any other recipient of our aid. The language of the statute clearly stipulates, and the legislative history specifically establishes, that the provision applies to the United Arab Republic. The intent of the Congress could not be more direct. The Egyptian Government has engaged in military adventure in Yemen and it consistently vows to destroy Israel. The United Arab Republic has flagrantly violated international agreements, it foments subversion in other Near East States, it makes extravagant missile deals with the Soviet Union, it employs Nazi scientists to build offensive and unnecessary death weapons, it spews anti-American propaganda in its government controlled news media; and it continues to spend millions of dollars to support a military development scheme which this country, through its economic help, has underwritten.

This is not a record that can justify large-scale deployment of American tax money. It is patently destructive of the goals we seek in our implementation of foreign aid. It is corroding and subverting the intent of the program as a whole.

What is needed at this point is application of the provision in existing law which was aimed at Colonel Nasser. His regime should be cut off from assistance forthwith. By his threats to the peace and his mammoth arms buildup, his government cannot legitimately claim any assistance.

We cannot oppose grants of assistance to any country which indicates a genuine and intelligent effort to improve its own economic position and its standard of living. Indeed, this must continue as the basis for foreign aid. The Egyptian Government has failed to meet the criteria. Economic aid to Nasser's government cannot be justified unless it demonstrates its willingness to abide by international agreements and common standards of behavior; Egypt cannot qualify unless she reverses her policy of external subversion and channels her resources toward economic self-improvement.

Mr. Speaker, I fervently urge the administration to carry out the full intent of present law, contained in section 620 of the Foreign Assistance Act of 1961. The enforcement of this provision against the United Arab Repulbic is long overdue. With such action, we can be sure that the objectives and purposes of the assistance program will be ultimately realized.

JUNE 15, 1964, MARKS THE 188TH ANNIVERSARY OF DELAWARE AS A SOVEREIGN STATE

The SPEAKER pro tempore. Under previous order of the House the gentleman from Delaware [Mr. MCDOWELL] is recognized for 10 minutes.

Mr. McDOWELL. Mr. Speaker, Delaware is proud of the fact that it was the first State to ratify the U.S. Constitution. This action occurred on December 7, 1787. However, 11 years before this historic event, the assembly of the three lower counties on the Delaware voted on June 15, 1776, to establish a provisional State government, subsequently known as the Delaware State. Today, therefore, marks the 188th anniversary of Delaware as a sovereign State.

Popular government in Delaware first achieved its impetus under William Penn's "Frame of the Government of the Province of Pennsylvania," when Penn's first assembly, convened at Upland in 1682 and passed the Act of Union joining the lower counties or territories—Delaware—with the Province of Pennsylvania.

In 1701, Penn proclaimed a more liberal charter, called the Charter of Privileges which permitted, inter alia, the "Territories" to hold a separate assembly from the "Province" if either desired.

The three counties of New Castle, Kent, and Sussex upon the Delaware River did not accept Penn's Charter of 1701 but, as a conclusion to controversies and disagreements which had existed since Penn's arrival with deeds from the Duke of York in the late 17th century, the three lower counties separated from the several counties of the Province of Pennsylvania in 1704. The three lower counties on the Delaware thereupon established their own assembly at New Castle, Del. Whereupon, this general assembly passed a resolution on June 15, 1776, declaring the Delaware counties independent of the British Crown.

By their own assembly, and with the Governor and Council of the Province of Pennsylvania, the three Delaware counties were governed until a convention elected by the people adopted a separate constitution for the Delaware State on September 20, 1776.

MODERATION

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, because of some firm convictions which I have about moderation in politics, and because I have spoken on this subject all over the United States at various times in the last 3 or 4 years and, further, because a number of Members of Congress have asked me to take the floor and discuss this matter further in view of developments and in view of the problems that prevail on the political front, beginning tomorrow I will be speaking under unanimous-consent request which has been granted to me for 30 minutes on this subject.

Mr. Speaker, I mention this here only so that the Members of the House may be alerted of the fact and those who may wish to join me in this or even to question me about it may be present to do so.

THE FATE OF H.R. 4994

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I inquired a few moments ago about the fate of H.R. 4994, the bill to provide for the labeling of imported woven labels.

Since that time it has been reported to me that the State Department did not want that bill called up today. I have no verification as of this moment that the State Department intervened to stop consideration of this bill.

I hope that is not true. I hope it is not true that the State Department is running the legislative schedule of the House of Representatives.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. CRAMER):

Mr. HALPERN, for 15 minutes, today.

Mr. PILLION, for 60 minutes, June 25, 1964.

Mr. NELSEN, for 30 minutes, June 16, 1964.

Mr. SCHWENGEL, for 30 minutes, June 16, 1964.

Mr. McDOWELL (at the request of Mr. PRICE), for 10 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. WHITENER (at the request of Mr. PRICE), for 60 minutes, June 25, 1964; to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PELLY and to include the text of a question and answer TV program, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $202.50.

Mr. RUMSFELD and to include extraneous matter.

Mr. ADDABBO (at the request of Mr. PRICE) and to include extraneous matter.

Mr. ALGER.

Mr. SCHWENGEL and to include an article on his introduction of the Watershed Conservation Act and also a statement on watersheds during the next decade.

(The following Members (at the request of Mr. CRAMER) and to include extraneous matter:)

Mr. FINO.

Mr. JENSEN.

Mr. SCHADEBERG.

(The following Members (at the request of Mr. PRICE) and to include extraneous matter:)

Mr. THOMAS.

Mr. BURTON of California.

Mr. MULTER.

Mr. GILBERT.

ADJOURNMENT

Mr. PRICE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 41 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 16, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICIATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2163. A letter from the Associate Administrator, Foreign Agricultural Service, U.S. Department of Agriculture, transmitting a report on title I, Public Law 480 agreements signed during May 1964, pursuant to Public Law 85–128; to the Committee on Agriculture.

2164. A letter from the Attorney General, transmitting a report pursuant to section 708(e) of the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

2165. A letter from the Assistant Secretary, Export-Import Bank of Washington, transmitting a report stating that the Export-Import Bank of Washington on June 5, 1964, issued its guarantee with respect to certain transactions with Hungary, pursuant to title III of the Foreign Aid and Related Agencies Appropriation Act of 1964, and to the Presidential determination of February 4, 1964; to the Committee on Foreign Affairs.

2166. A letter from the Comptroller General of the United States, transmitting a report on a review relating to unnecessary costs to the Government in the leasing of electronic data processing systems by Aerojet-General Corp., Sacramento, Calif., Department of Defense; to the Committee on Government Operations.

2167. A letter from the Comptroller General of the United States, transmitting a report on a review relating to erroneous payments made for military pay, leave, and travel at Biggs Air Force Base, Tex., Department of the Air Force; to the Committee on Government Operations.

2168. A letter from the Comptroller General of the United States, transmitting a report on a review relating to inadequate relocation assistance to families displaced from certain urban renewal projects in Kansas and Missouri administered by the Fort Worth regional office, Housing and Home Finance Agency; to the Committee on Government Operations.

2169. A letter from the Comptroller General of the United States, transmitting a report on a review relating to unnecessary costs to the Government in the leasing of electronic data processing systems by General Dynamics Corp., Fort Worth Division, Fort Worth, Tex., Department of Defense; to the Committee on Government Operations.

2170. A letter from the Clerk, U.S. Court of Claims, relative to *S. N. T. Fratelli Gondrand* v. *The United States*, (Congressional No. 7–58); to the Committee on the Judiciary.

2171. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration of this Department on the activities and transactions of the Administration, pursuant to the Merchant Ship Sales Act of 1946, from January 1 through March 31, 1964; to the Committee on Merchant Marine and Fisheries.

2172. A letter from the Deputy Administrator, National Aeronautics and Space Administration, transmitting a report to the House of Representatives pursuant to 10 U.S.C. 2304(e), listing certain required information with respect to contracts made by the National Aeronautics and Space Administration under 10 U.S.C. 2304(a) (11) (16); to the Committee on Science and Astronautics.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CELLER: Committee on the Judiciary. Report on State taxation of interstate commerce (Rept. No. 1480). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 628. An act to amend the District of Columbia Redevelopment Act of 1945; with amendment (Rept. No. 1481). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Committee on Rules. House Resolution 781. Resolution for consideration of H.R. 8954, a bill to amend section 409 of title 37, United States Code, to authorize the transportation of house trailers and mobile dwellings of members of the uniformed services within the continental United States, within Alaska, or between the continental United States and Alaska, and for other purposes; without amendment (Rept. No. 1482). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 782. Resolution for consideration of H.R. 9124, a bill to amend title 10, United States Code, to vitalize the Reserve Officers' Training Corps programs of the Army, Navy, and Air Force, and for other purposes; without amendment (Rept. No. 1483). Referred to the House Calendar.

Mr. ELLIOTT: Committee on Rules. House Resolution 783. Resolution for consideration of H.R. 10314, a bill to further amend the Federal Civil Defense Act of 1950, as amended, to extend the expiration date of certain authorities thereunder, and for other purposes; without amendment (Rept. No. 1484). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 784. Resolution for consideration of H.R. 10322, a bill to extend the provisions of the act of August 11, 1959, Public Law 86-155, as amended (74 Stat. 396) to provide improved opportunity for promotion for certain officers in the naval service; without amendment (Rept. No. 1485). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 785. Resolution for consideration of H.R. 11579, a bill making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes; without amendment (Rept. No. 1486). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H.R. 11592. A bill to amend the Internal Revenue Code of 1954 to authorize and facilitate the deduction from gross income by teachers of the expenses of education (including certain travel) undertaken by them, and to provide a uniform method of proving entitlement to such deduction; to the Committee on Ways and Means.

By Mr. BENNETT of Michigan:

H.R. 11593. A bill to provide for the issuance of a special coin honoring the copper country of Michigan; to the Committee on Banking and Currency.

By Mr. COHELAN:

H.R. 11594. A bill to authorize the Secretary of the Navy to convey to the State of California certain lands in the county of Monterey, State of California, in exchange for certain other lands; to the Committee on Armed Services.

H.R. 11595. A bill to establish a National Commission on Automation and Technological Progress; to the Committee on Education and Labor.

By Mr. FULTON of Pennsylvania:

H.R. 11596. A bill to amend title 39, United States Code, to authorize the Postmaster General to relieve postmasters and other employees for losses resulting from illegal, improper, or incorrect payments, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GRANT:

H.R. 11597. A bill to provide micronaire readings of cotton; to the Committee on Agriculture.

By Mr. HALPERN:

H.R. 11598. A bill to amend the Antidumping Act, 1921; to the Committee on Ways and Means.

H.R. 11599. A bill to provide that tips received by an employee in the course of his employment shall be included as part of his wages for old-age, survivors, and disability insurance purposes; to the Committee on Ways and Means.

By Mr. SCHADEBERG:

H.R. 11600. A bill relating to the tariff treatment of parts designed for use or chiefly used in agricultural or horticultural implements or in tractors suitable for agricultural use; to the Committee on Ways and Means.

By Mr. ABELE:

H.R. 11601. A bill to protect American Indians from the flooding of their lands by any department or agency of the United States before suitable provision has been made for their relocation; to the Committee on Interior and Insular Affairs.

By Mr. COHELAN:

H.R. 11602, a bill to authorize and direct the conveyance of certain property in the county of San Diego to the regents of the University of California; to the Committee on Government Operations.

By Mr. CRAMER:

H.R. 11603. A bill to amend the Immigration and Nationality Act to authorize, in the national interest, restrictions on travel by nationals of the United States in certain designated areas of the world; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 11604. A bill to authorize and direct the conveyance of certain property in the city of San Diego to the regents of the University of California; to the Committee on Government Operations.

By Mr. SHEPPARD:

H. Con. Res. 313. Concurrent resolution to endorse the concept of World Farm Center; to the Committee on Agriculture.

By Mr. UTT:

H. Res. 780. Resolution to inquire into the financial or business interests of any present or former Member, officer, or employee of the House of Representatives; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to preserve the Atchafalaya River Basin from destruction by the U.S. Corps of Engineers, which was referred to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LENNON:

H.R. 11605. A bill for the relief of Pola Bodenstein; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 11606. A bill for the relief Christine Johnson (also known as Christine Cayenne); to the Committee on the Judiciary.

By Mr. PRICE:

H.R. 11607. A bill for the relief of Antoni Stanislaw Blicharski; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 11608. A bill for the relief of Jozefa Pietka; to the Committee on the Judiciary.

By Mr. RIVERS of South Carolina:

H.R. 11609. A bill to authorize the Secretary of the Navy to convey real property of the United States to the Navy-Marine Resident Foundation, Inc., as a site for a permanent home or resident foundation, to be known as Vinson Hall; to the Committee on Armed Services.

By Mr. TOLL:

H.R. 11610. A bill for the relief of Harry J. Alker, Jr., and the estate of Alfred A. DuBan, deceased; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

925. By the SPEAKER: Petition of Stanley P. Budrys, secretary, Racine branch, Lithuanian American Council, Inc., Racine, Wis., relative to the Soviet Union occupying, by force of arms, the countries of Estonia, Latvia, and Lithuania, and thereby depriving them of their independence; to the Committee on Foreign Affairs.

926. Also, petition of Marchant D. Wornom, executive vice president, Virginia Bankers Association, Richmond, Va., relative to requesting that the officers of the Federal Government, the Members of Congress, and the judiciary are admonished to leave to the States the powers reserved to them under the 10th amendment, whether or not the States choose to exercise them, because the election of the States not to do so is not in itself tantamount to the granting of new powers to the Federal Government; and because the system of Federal subsidies to States, localities, and individuals is wrong in principle, no new subsidy programs should be established, and others should be reduced from time to time so that the Federal Government's deficits may be ended, and its expenditures reduced to a point where the income tax as a source of revenue will not be further abused; to the Committee on the Judiciary.

927. Also, petition of Henry Stoner, Avon Park, Fla., requesting Congress to appropriate adequate funds to restore Alaska to its recent prequake status; to the Committee on Appropriations.

928. Also, petition of Henry Stoner, Avon Park, Fla., requesting Congress never to consider an amendment to the U.S. Constitution which exempts or cuts out Congress in the process of amending the U.S. Constitution; this would be a vicious proposal and delete Congress from the amendment process; to the Committee on the Judiciary.